By Mr. GREENWOOD: A bill (H. R. 12295) granting an increase of pension to Frances L. McQuinn; to the Committee on Invalid Pensions.

By Mr. HANCOCK of New York: A bill (H. R. 12296) granting an increase of pension to Ann Doyle McGill; to the Committee on Invalid Pensions.

By Mr. HOGG of Indiana: A bill (H. R. 12297) granting an increase of pension to Mary Scott; to the Committee on Invalid Pensions.

Also, a bill (H. R. 12298) granting an increase of pension to Nancy Bortner; to the Committee on Invalid Pensions.

Also, a bill (H. R. 12299) granting an increase of pension to Susannah L. Allen; to the Committee on Invalid Pensions.

By Mr. WILLIAM E. HULL: A bill (H. R. 12300) granting a pension to Patrick McAnney; to the Committee on Pensions.

By Mr. JONES: A bill (H. R. 12301) for the relief of Dan King; to the Committee on Military Affairs.

By Mrs. KAHN: A bill (H. R. 12302) authorizing the President of the United States to present, in the name of Congress, to Amelia Earhart Putnam, a medal of honor; to the Committee on Military Affairs.

By Mr. KNUTSON: A bill (H. R. 12303) for the relief of Hans C. Knutson; to the Committee on Military Affairs.

By Mr. LICHTENWALNER: A bill (H. R. 12304) granting an increase of pension to Clara E. Richards; to the Committee on Invalid Pensions.

By Mr. LINTHICUM: A bill (H. R. 12305) granting a pension to Lavinia Payne; to the Committee on Invalid Pensions.

By Mr. MAPES: A bill (H. R. 12306) for the relief of Stewart Lanier Cook; to the Committee on Military Affairs.

By Mr. SCHNEIDER: A bill (H. R. 12307) for the relief of Frank E. Turner; to the Committee on Military Affairs.

By Mr. STRONG of Pennsylvania: A bill (H. R. 12308) for the relief of Frank A. Farris; to the Committee on Military Affairs.

By Mr. TABER: A bill (H. R. 12309) for the relief of Commander Francis James Cleary, United States Navy; to the Committee on Naval Affairs.

By Mr. TINKHAM: A bill (H. R. 12310) for the relief of Evangelos Karacostas; to the Committee on Claims.

By Mr. WILLIAMSON: A bill (H. R. 12311) authorizing an appropriation for the payment of the claim of H. C. Lafferty, a member of the Sioux Indian Nation, for damages occasioned by the destruction of his horses; to the Committee on Indian Affairs.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

7930. By Mr. BLOOM: Resolution adopted by the executive committee of the American Society of Civil Engineers on May 9, 1932; to the Committee on Ways and Means.

7931. By Mr. CHIPERFIELD: Petition of Local Union No. 1904, United Mine Workers of America, Geneseo, Ill., urging an investigation of the Interstate Coal Co.; to the Committee on Interstate and Foreign Commerce.

7932. Also, petition of 52 residents of Quincy, Ill., opposing additional taxation on automotive products; to the Committee on Ways and Means.

7933. By Mr. CONNERY: Petition of R. P. Taylor, of Chicago, Ill., favoring immediate relief for unemployed; to the Committee on Ways and Means.

7934. By Mr. CRAIL: Petition of Board of Fire Commissioners of the City of Los Angeles, Calif., urging the passage of House bills 1967 and 8549 as beneficial to the welfare and safety of our Government; to the Committee on the Judiciary.

7935. Also, petition of Board of Supervisors of Los Angeles County, Calif., requesting Congress to include appropriation for construction of Federal post office in the city of Los Angeles; to the Committee on Appropriations.

7936. Also, petition of Mrs. J. F. Halloran and many other citizens of Berkeley, Calif., asking Congress to do all it can to decrease governmental expenditures and balance the Budget; to the Committee on Ways and Means.

7937. Also, petition of several citizens of Los Angeles County, Calif., vigorously opposing the enactment of House bill 6385, permitting the substitution of a member of the crew for a licensed radio operator on any coastwise vessel of the United States not now required by law to be equipped with radiotelegraph apparatus; to the Committee on Merchant Marine, Radio, and Fisheries.

7938. By Mr. DALLINGER: Petition of Amelia W. Fisk and other citizens of Cambridge, Mass., petitioning Congress to take expeditious action in balancing the Budget and passing equitable tax legislation; to the Committee on Ways and Means.

7939. By Mr. GRANFIELD: Petition of G. E. Graham, of Longmeadow, Mass., and other citizens, opposing the passage of certain discriminatory taxes affecting the automotive industry; to the Committee on Ways and Means.

7940. By Mr. GOSS: Petition of James W. Carroll, Paula Johnson, Joseph A. Bowen, and approximately 750 other citizens of Waterbury, Conn., petitioning the Congress to legalize beer, and place a tax thereon of 3 cents a pint; to the Committee on Ways and Means.

7941. By Mr. HOPKINS: Petition signed by the members of the Women's Bible Class of the Westminister Church, of St. Joseph, Mo., seeking an investigation of the charges that the white men of Alaska are fraudulently depriving the Eskimos of their lawful ownership of herds of reindeer; to the Committee on the Territories.

7942. By Mr. LAMBETH: Petition signed by 80 citizens of Raeford, Hoke County, N. C., urging the passage of legislation to relieve the money stringency in this country and restore commodity prices to a normal level; to the Committee on Banking and Currency.

7943. By Mr. LINDSAY: Petition of the New York State Legislative Board, Brotherhood of Locomotive Firemen and Enginemen, Albany, N. Y., urging support of retirement insurance bills, S. 3892 and H. R. 10023; to the Committee on Interstate and Foreign Commerce.

7944. By Mr. NIEDRINGHAUS: Petition of 31 citizens of St. Louis, Mo., protesting against the enactment of legislation of compulsory Sunday observance; to the Committee on the District of Columbia.

7945. By Mr. RUDD: Petition of West End Republican Club of Queens County, N. Y., favoring the passage of House bill 10602 and a rule for its consideration; to the Committee on Rules.

SENATE

WEDNESDAY, MAY 25, 1932

(Legislative day of Monday, May 9, 1932)

The Senate met at 11 o'clock a. m., on the expiration of the recess.

Mr. WAGNER obtained the floor.

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

The VICE PRESIDENT. The clerk will call the roll.

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

Bailey	Copeland	Hebert	Robinson, Ark.
Bankhead	Costigan	Howell	Robinson, Ind.
Barbour	Couzens	Johnson	Sheppard
Barkley	Cutting	Jones	Shipstead
Bingham	Dale	Kean	Shortridge
Blaine	Davis	King	Smith
Borah	Dickinson	La Follette	Smoot
Bratton	Fess	Logan	Steiwer
Brookhart	Fletcher	Long	Townsend
Broussard	George	McGill	Trammell
Bulkley	Glass	McNary	Tydings
Bulow	Glenn	Metcalf	Vandenberg
Byrnes	Goldsborough	Moses	Wagner
Capper	Gore	Norris	Walsh, Mass.
Caraway	Hale	Nye	Walsh, Mont.
Carey	Harrison	Oddie	Watson
Cohen	Hastings	Patterson	White
Connally	Hawes	Pittman	
Coolidge	Hayden	Reed	

AUTHENTICATED U.S. GOVERNMENT INFORMATION GPO

Mr. LA FOLLETTE. I desire to announce that the following-named Senators are detained in a meeting of the Committee on Indian Affairs: The Senator from North Dakota [Mr. FRAZIER], the Senator from Oklahoma [Mr. THOMAS], the Senator from Wyoming [Mr. KENDRICK], the Senator from Connecticut [Mr. WALCOTT], and the Senator from Idaho [Mr. THOMAS].

Mr. DAVIS. I wish to announce that the senior Senator from West Virginia [Mr. HATFIELD] is detained in a hearing before the Committee on Mines and Mining.

The VICE PRESIDENT. Seventy-four Senators have answered to their names. A quorum is present. The Chair ought to state that by unanimous consent the Senator from Delaware [Mr. HASTINGS] was to have the floor this morning. The Senator from New York [Mr. WAGNER] was recognized, however, it being the understanding that he desires to speak with reference to a bill which he will introduce.

RELIEF OF UNEMPLOYMENT—PUBLIC-WORKS PROGRAM

Mr. WAGNER. Mr. President, I ask unanimous consent to introduce, on behalf of the Senator from Arkansas [Mr. ROBINSON], the Senator from Montana [Mr. WALSH], the Senator from Nevada [Mr. PITTMAN], the Senator from Ohio [Mr. BULKLEY], and myself, a bill to provide for grants and loans to the several States to aid in relieving unemployment, to facilitate the construction of self-liquidating projects, to provide for the construction of certain authorized Federal public-works projects, and for other purposes, which I ask may be appropriately referred.

The bill (S. 4755) to provide for grants and loans to the several States to aid in relieving unemployment, to facilitate the construction of self-liquidating projects, to provide for the construction of certain authorized Federal public-works projects, and for other purposes, was read twice by its title.

Mr. WAGNER. Mr. President, I desire the consent of the Senate to make a brief statement explanatory of the bill.

The VICE PRESIDENT. Is there objection? The Chair hears none. The Senator from New York is recognized.

Mr. WAGNER. There can no longer be any doubt, Mr. President, that before the Congress adjourns it will take action to provide a program of relief and construction. I am satisfied that the Members of both Houses are now determined that this long-deferred action shall no longer be delayed.

It is not my purpose to recite at this time the evidence—old and new—in support of the need for such legislation. If there be any here who still require persuasion, I am sure that an opportunity will be afforded for that purpose. My present intention is to say a few words in explanation of the provisions of this bill, which I have submitted with the approval of the Senators whom I have just mentioned.

The bill, Mr. President, must be read in the light of the conditions to which it is addressed. The extraordinary remedy which it proposes can be appraised only by reference to the aggravated ailment for which it is prescribed.

More than once we have been reminded that the resources of the Nation are intact; that the machinery of the country is in excellent condition; that the productive capacity of our people is greater than it has ever been; that our credit facilities are more than ample to finance a prosperous America. Nevertheless, America is languishing. There is no demand for commodities, there is no demand for labor, and there is no demand for credit. Prices continue their decline, profits shrink and disappear, production is further curtailed, and more unfortunates are added to the number of unemployed.

There is no point in blinking the fact that this tragic evolution has continued, despite the Reconstruction Finance Corporation, despite the Glass-Steagall Act, despite the open-market operations of the Federal reserve system. The press reports that the administration is perplexed by the fact that industry is seeking very little of the newly created credit. It is not at all surprising, however, to those who clearly saw early last winter that the liberalization of credit, no matter how necessary it may be and no matter how beneficial it may be, was alone inadequate to start into activity the industrial enterprise of the country.

I recall that in connection with the consideration of the Reconstruction Finance Corporation act I stated in the Senate:

> After the most careful consideration I have come reluctantly to the conclusion that the President's recommendations are alone insufficient to deal with the present emergency * * * that they will not to any appreciable extent provide what I regard as the one all-important essential, namely, work for those who are forced to go idle.

I am glad to see that the President, though he differs to some extent, has finally come around to this view. The delay has made the problem much more difficult; it has, I feel confident, not rendered it insoluble.

We have two definite objectives in utilizing the powers of the Government: (1) To assist the States in preventing hunger; (2) to help in bringing about a resumption of employment and revival of trade. These ends are all important. The methods, of course, are open to adjustment.

In my judgment we should choose the shortest routes to these objectives. To attain the first we should make relief available, wherever it is required with the minimum of bureaucratic intervention. To attain the second we should initiate necessary Federal projects and finance local self-liquidating projects. Such a program will create a demand for commodities, employment, and credit. If the program is ample enough and is vigorously prosecuted, it will help to check price deflation, and when that occurs confidence will not require any external stimulation.

I say with confidence that the bill presented here to-day is well calculated to carry into effect such a program of rehabilitation.

It provides as follows:

First. Three hundred million dollars is made available, under the existing borrowing power of the Reconstruction Finance Corporation, for the purpose of making advances to the States for relief to the destitute upon certification by the governor of the State that there is need for such assistance. The amount advanced to any State for this purpose is to be deducted over a period of years from future Federal-aid highway grants to that State.

Second. One billion five hundred million dollars is made available to the Reconstruction Finance Corporation under authorization for additional borrowing, all but $40,000,000 of which is to be devoted to finance the following undertakings which must be self-liquidating in character: (a) Construction of revenue-producing projects initiated by States, municipalities, and public corporations; (b) housing and slum-clearance projects undertaken by limited-dividend corporations; (c) construction by private corporations of bridges, tunnels, docks, viaducts, waterworks, and similar projects devoted to the public use which are self-liquidating.

The remaining $40,000,000 are to be made available by the Reconstruction Finance Corporation to the Secretary of Agriculture to aid in financing agricultural exports. The Reconstruction Finance Corporation must be amply secured for every loan. Every undertaking it finances must meet the test that its earnings will be sufficient to amortize the cost of construction.

Third. Five hundred million dollars is made available for the construction of previously authorized Federal permanent improvements. This construction is to be financed by a 25-year bond issue and sinking fund, the bonds to be issued as needed to pay for the projects as they progress. The specific projects set forth in the bill are as follows:

1. For the Federal-aid highway systems, to be apportioned among the several States under the Federal aid highway act and to be available as a temporary advance to meet the provisions of that act as to State funds, $120,000,000. The advance made to a State is to be deducted over a period of 10 years from future Federal highway grants, beginning in 1938.

2. For the emergency construction of public roads, $16,000,000.

3. For the prosecution of river and harbor projects heretofore authorized, in addition to amounts provided in pending appropriation bills, $30,000,000.

4. For the prosecution of flood-control projects heretofore authorized, in addition to the amounts provided in pending appropriation bills, $15,500,000.

5. For the continuation of construction of the Hoover Dam and incidental works, $10,000,000.

6. For air navigation facilities under the Department of Commerce, and for the construction of lighthouses, vessels, and other construction projects of the Lighthouse Service in the Department of Commerce heretofore authorized, $7,500,000.

7. For the construction of projects heretofore authorized under the Bureau of Yards and Docks, Navy Department, $10,000,000.

8. For the emergency construction of public-buildings projects in continental United States outside of the District of Columbia, to be selected by the Secretary of the Treasury from the allocated public-buildings projects specified in House Document No. 788, Seventy-first Congress, third session, for which no appropriations have been made, $100,000,000. Such projects shall be constructed within the estimated limit of cost specified in such document, and in selecting such projects preference shall be given to places where Government facilities are housed in rented buildings, under leases which will expire on or before July 1, 1934, or which may be terminated on or prior to that date by the Government under a cancellation clause.

9. The remainder of the $500,000,000 is to be available for expenditure upon permanent improvement projects to be selected by the President for which appropriations have heretofore been made or shall be made for expenditures during the fiscal years 1932 or 1933.

None of the $500,000,000 fund is to be spent outside continental United States. None of it is to be spent in the District of Columbia, where a large program is already under way. None of it is to be spent upon projects employing convict labor.

In addition to these restrictions, the bill contains the very important provision that both Federal construction contracts and Reconstruction Finance Corporation loans shall, wherever practicable, be conditioned upon the 30-hour week. The construction program, both Federal and local, which this bill contemplates will thus open employment opportunities for the greatest possible number of persons.

This, in my judgment, is as conservative a program of legislation as the severity of the present emergency will permit. We can not overlook the fact that, according to the Department of Labor, there are in 123 cities, containing less than one-third of the Nation's population, more than 700,000 families who are living on charity.

The legislation presented rests on the propositions that the National Government is under a responsibility to cooperate in coping with the problems of the national crisis; that work is superior to doles in dealing with these problems; and that useful and previously planned work is superior to so-called made work.

The relief provision should quiet apprehension of actual distress during the coming seasons. As the Federal and local construction programs get under way they will release a stream of orders for merchandise and commodities which can confidently be expected to bring into activity the recuperative energies resident within industry itself.

The Federal public-works program represents but a quarter of the total volume of construction contemplated by the bill, but its emergency value is far greater. We have lost so much time that it is essential that some part of the construction program be initiated at once.

The Federal public works are entirely in the control of Congress. The minute this legislation is enacted into law they can go forward. We know definitely that the Federal projects will not encounter any local legislative obstacles. They will not be delayed by the necessary investigations incident to securing a loan from the Reconstruction Finance Corporation. With the aid of the legislation passed last year the acquisition of Federal sites can be accomplished with great dispatch and architectural work can be expedited. Altogether the Federal projects constitute that part of the program from which we can expect the earliest results.

Furthermore, the bonds to finance the public works need be issued only as funds are required to pay for such works. Obviously, but a portion of the $500,000,000 will be required during the coming year. The carrying charges can at most be a very small amount compared to the $195,000,000 which under the bill is lifted out of current appropriations. To that extent the program of Federal construction authorized by this proposed legislation will help to balance the Budget and relieve the pressure of taxation from the taxpayer.

The President has expressed himself in opposition to the enlargement of the Federal-works program. His first objection is that it involves borrowing.

Every business man distinguishes between borrowing to pay current expenses and borrowing for necessary permanent improvements and capital expenditures. The one is extravagance, the other is investment.

Mr. Hoover has himself frequently recognized this fundamental distinction. He approved the legislation creating a Reconstruction Finance Corporation, although that involved the United States in the direct borrowing of $500,000,000 and the prospective guarantee of bonds amounting to one and one-half billion dollars.

He approved the land-bank legislation of the current session, which necessitates the borrowing of $125,000,000. In his public statement he calls attention with approval to the home loan discount bill, although that may impose upon the Treasury the need for further borrowing. He speaks with approbation of the public-works program now in progress, although that, too, in view of the deficit, naturally calls for borrowing by the Treasury. Obviously, not all borrowing can be equally condemned. The test must be a specific one. Whether the borrowing is justified or not is a question that can not be answered by generalities. Our question is whether the borrowing is justified for the specific program set forth in our bill.

In view of the irrepressible need for employment and trade revival; in view of the saving which can be effected by the Federal Government in securing its necessary construction at the present low costs; in view of the saving which can be effected by removal from high-rental quarters to economically constructed Government buildings; in view of the policy we have laid down in the employment stabilization act of 1931, it is my judgment that borrowing in such circumstances is the essence of economy. In that view I am supported by the weight of opinion of those who speak with authority on the subject.

It is exceedingly difficult to follow the President when he would have us believe that the federally guaranteed debentures of the Reconstruction Finance Corporation are any less Federal obligations than the United States bonds which would be issued under this bill. Certainly no investor regards them as different. I find it impossible to believe that the mere device of incorporation can transform what the President regards as a dangerous and confidence-destroying bond into an altogether beneficial debenture. Words no longer possess that kind of magic.

Fortunately the public well understands the difference between justifiable borrowing and unjustifiable borrowing. It reacted favorably to the Reconstruction Finance Corporation. It has similarly reacted favorably to the prospect that a public-works bond issue will be authorized. The announcement of the Senator from Arkansas in advocacy of such a proposal was made in the Senate on Wednesday, May 11. On that day 8 out of 12 issues of Federal bonds registered an advance upon the New York Stock Exchange.

The announcement of the subcommittee of the Democratic conference outlining the program now expressed in this bill appeared in the press on Saturday, May 21. That day every issue of Federal bonds gained over its previous closing price.

These facts are adequate evidence of the reaction of the investing public to a public-works proposal.

In his public statement, Mr. Hoover directed a number of additional objections against a program of public works. His criticisms, however, are addressed to an imaginary program of construction composed of projects assembled through logrolling, calling for expenditures upon dredging mud creeks and similar useless undertakings, upon reclamation projects, and upon building construction outside the United States.

Obviously, such a program can not be justified. It would involve nothing but a wicked waste of money. That, however, is not the program contained in the bill presented to-day on behalf of the Senators whose names I have mentioned.

For instance, the building program is limited to places heretofore selected by the Department of the Treasury and the Post Office under the public buildings act. It is further limited to projects within the continental United States and outside the District of Columbia. It is further restricted by the requirement that preference shall be given to places where Government facilities are housed in rented buildings under leases which will expire or can be terminated on or before July 1, 1934. And finally, the Secretary of the Treasury is given the power to make the specific selections.

I submit that there is no room here for the inclusion of what the President calls "unwarranted post offices."

Our present expenditures for a small group of post offices alone, namely, those for which leases will expire or can be terminated on or before July 1, 1934, and where the rental is $6,000 or more per annum, are $4,495,740 annually.

By every proper test there is ample justification for a program of construction which would reduce this type of expenditure for the Federal Government.

Consider as another instance the Federal highway appropriation contained in the bill. That is to be advanced to the States and deducted from future Federal highway grants. It will be used not for the construction of useless roads but to make possible the construction of the very roads contemplated under the present Budget, since it will be employed by the States in matching the Federal funds apportioned to them under the regular Federal highway appropriations. That, to my mind, is a self-liquidating investment in every sense of the word.

The other projects provided for in the bill, including river and harbor construction, flood control, lighthouses, and so forth, are precisely of the same class, respectively, as those prosecuted under existing appropriations. Their selection out of the authorized total rests in the hands of the President and the members of his Cabinet.

There is no merit in the President's criticism that public works provide but transitory employment. Surely transitory employment is better than none. Furthermore, Federal public works do not differ in that respect from local toll bridges and tunnels which are agreed to by the President.

There are other matters upon which issue can be taken. It is not my purpose to emphasize the controversy, but to secure the enactment of legislation. I do want the public to know that the program embraced within the bill is sound and constructive. With the cooperation of the men and women who have a just and well-deserved faith in the high credit of our Government that program will aid mightily in the national rehabilitation which must go forward without delay.

In view of the national necessity, I make the request, Mr. President, that the several departments of the Government come forward with constructive suggestions which will be of assistance in perfecting the bill. Irrespective of the attitude of the administration concerning some features of this legislation, I believe that we all desire that the bill, when it is finally enacted, shall be in a form most adequate to carry out its purposes.

Mr. HASTINGS obtained the floor.

Mr. COSTIGAN. Mr. President, will the Senator from Delaware yield in order that I may ask the Senator from New York a question?

Mr. HASTINGS. I yield.

Mr. COSTIGAN. May I inquire whether the Senator from New York is prepared to advise us how fast and how far unemployment may be expected to recede under the plan submitted to the Senate?

Mr. WAGNER. I can not estimate that definitely, but I have very great confidence that it will result in the absorption of a good deal of unemployment now existing, providing we get the proper cooperation from the departments of the administration.

Mr. COSTIGAN. Has any estimate been made of the number of persons who will be given employment under this plan?

Mr. WAGNER. We can all make estimates. I think it will be a large number; but I should not want to commit myself to a definite estimate. The Senator noticed that in the bill we have a provision for a 30-hour week, to be applied wherever practicable, both in the self-liquidating projects which are to be undertaken by advances from the Reconstruction Finance Corporation, and also from the public-works program, which we hope will add considerably to even the normal employment that would result from these projects.

Mr. COSTIGAN. May I further ask what distribution of funds for direct relief or Federal aid to the States is contemplated by the Senator from New York?

Mr. WAGNER. The bill appropriates $300,000,000 for that purpose, to be apportioned according to population, as was in part provided in the bill which the Senator from Colorado, together with the Senator from Wisconsin [Mr. LA FOLLETTE], originally advocated; and too much can not be said for the signal public service the Senators rendered in that regard.

Mr. COSTIGAN. If the courteous Senator from Delaware will further indulge me, I will add that it is obviously impossible at this time to give expression to any proper critical analysis of the plan submitted just now by the Senator from New York. However, with respect to direct relief it is distinctly desirable to place in the RECORD, close to the remarks of the able Senator from New York, certain resolutions adopted within the last few days by the Association of Public Welfare Officials meeting in annual national convention in Philadelphia with respect to the policies and standards deemed essential by that highly important body in approaching the subject of administered relief.

I ask permission to include the resolutions in the RECORD as part of my remarks.

The PRESIDING OFFICER (Mr. FESS in the chair). Without objection, the resolutions will be received and printed in the RECORD.

The resolutions are as follows:

Resolutions proposed by the resolutions committee, Richard Conant, chairman, and adopted by the Association of Public Welfare Officials, Philadelphia, May 18, 1932

Resolved, That the American Association of Public Welfare Officials believes the following policies essential to the success of any program of Federal relief.

The Federal authority should be one with experience in the field of public welfare and one having the complete confidence of those who are engaged in public-welfare administration, for example, the Federal Children's Bureau.

The local authority should be the State department of public welfare or the equivalent public social-service agency, to the end that throughout the country state-wide programs be set up for the relief of distress.

State, city, and county departments of public welfare should accept this opportunity of raising their standards and meeting their responsibility for the successful administration of whatever program of Federal relief may be adopted by taking immediate steps to strengthen and improve their organizations for greater service.

Resolved by the American Association of Public Welfare Officials, That, due to the increasing responsibilities of departments of public welfare, steps should be taken in the several States immediately for the establishment under the civil service laws of professional qualifications for public-welfare workers and where no civil service laws exist for the establishment of such professional standards through certification, with the ultimate aim of a broad system of certification such as exists for teachers and doctors of the medical profession.

The American Association of Public Welfare Officials has worked in close cooperation with the Federal Children's Bureau and has

thereby had an opportunity to observe at first hand the methods and equipment of that bureau.

From our contact we have been able to see that the bureau has had an exceptionally wide and valuable experience in public-welfare administration and has acquired much skill in this field.

The bureau has the complete confidence of public-welfare officials and we desire to record our appreciation of its service and our hope that it may not be crippled by a withdrawal of funds at a time when thousands of unemployed persons would benefit by a continuance of its activities for the public welfare.

Mr. WAGNER. I am sure we will welcome and will have the cooperation of the Senator from Colorado, as we will that of other Senators who are interested in the subject; and, of course, this proposal is subject to adjustment in the course of the consideration of the proposed legislation.

Mr. LONG. Mr. President, I wish to make an inquiry of the Senator from New York. Has this bill been approved by the President? I was just trying to find out. Is this the one that the President approved?

Mr. WAGNER. I have no idea what the President's attitude is. This is a bill which was prepared by a committee appointed by the Democratic conference, and is what we propose. I can not tell the Senator anything about the attitude of the President, except that I have such confidence in the merits of the measure that I am convinced that if the President is doubtful about it now he will be persuaded that it is an efficacious program to help in absorbing unemployment.

Mr. LONG. Mr. President, I just want to say that I have read so many contradictory dispatches to the effect that the President was in conference with some of our Democratic leaders one day, preparing or agreeing to a program of this kind, and another day that he was opposed to it, that inasmuch as I was not in any conference I was just trying to find out how far we might expect this thing to be moved along. That is the only reason I had for asking the question.

Mr. WAGNER. I have no knowledge of any such conference and know nothing about it.

Mr. President, I move that the bill be referred to the Committee on Banking and Currency, and I also request that it be printed in the RECORD.

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

The bill (S. 4755), introduced by Mr. WAGNER, Mr. ROBINSON of Arkansas, Mr. PITTMAN, Mr. WALSH of Montana, and Mr. BULKLEY, was referred to the Committee on Banking and Currency, and ordered to be printed in the RECORD, as follows:

A bill (S. 4755) to provide for grants and loans to the several States to aid in relieving unemployment, to facilitate the construction of self-liquidating projects, to provide for the construction of certain authorized Federal public-works projects, and for other purposes

Be it enacted, etc., That (a) to aid in furnishing relief and work relief to the needy and distressed people residing in the several States and relieving the hardship resulting from unemployment, the Reconstruction Finance Corporation is authorized and empowered to make grants to the several States for such purposes out of the funds made available by the Reconstruction Finance Corporation act, under the terms and conditions hereinafter set forth, and in an aggregate amount of not to exceed $300,000,000. Such amount shall be apportioned among the several States in the proportion which their population bears to the total population of the States of the United States according to the Fifteenth Decennial Census. Such apportionment shall be made by the corporation within 10 days after the date of enactment of this act, and the corporation shall immediately certify to the governors of the several States the amount apportioned to each State. The amounts so apportioned to any State shall be available for payment to such State for the purposes of this section until the expiration of two years after the date of enactment of this act.

(b) The aggregate amount of the grants made to any State under this section shall not be in excess of the amount apportioned to such State. The amount of the grant or grants to each State shall be reimbursed to the Reconstruction Finance Corporation by making annual deductions, beginning with the fiscal year 1937, from moneys payable under regular apportionments made from future Federal grants in aid of the States for the construction of highways and rural post roads, of an amount equal to one-fifth of the share which such State would be entitled to receive under such apportionment, except for the provisions of this section, or of an amount equal to one-fifth of the grant or grants made pursuant to this section, whichever is the lesser, until the sum of such deductions shall equal the total amount of such grant or grants. Whenever any such deduction is made, the Secretary of the Treasury shall immediately pay to the Reconstruction Finance Corporation the amount so deducted.

(c) Any State making application for funds under this section shall, through its governor, certify the necessity for such funds. In any State having a State department of welfare or charities, such department shall administer the funds granted to the State pursuant to this section, except that in any State in which, in accordance with the laws of the State, there has been set up a special emergency organization for the administration of relief, such special organization may administer the funds so granted to such State: *Provided*, That in any State where no state-wide board of charities exists, or no special emergency organization has been set up, the amount allotted to such State shall be distributed by the joint action of the governor and the State board constituted for controlling the financial affairs of such State, if such board exists, or by the governor, if such board does not exist.

(d) The amount of any grant authorized under this section shall be paid to the State upon delivery by the State to the Reconstruction Finance Corporation of a receipt for such amount, which receipt shall state that the grant is accepted subject to the terms of this section.

SEC. 2. (a) The Reconstruction Finance Corporation is further authorized and empowered to make loans (1) to States, municipalities, and political subdivisions of States, public or quasi-public corporations, and public or quasi-public municipal instrumentalities of one or more States to aid in financing projects authorized under State or municipal law and which are self-liquidating in character; (2) to private limited-dividend corporations to aid in financing housing, slum clearance, or other similar projects which are self-liquidating in character; and (3) to private corporations to aid in carrying out the construction of bridges, tunnels, docks, viaducts, waterworks, and similar projects devoted to public use and which are self-liquidating in character. The aggregate amount of such loans shall not exceed $1,460,000,000. Such loans shall be made under such terms and conditions, with such security, and in such amounts and for such periods as the Reconstruction Finance Corporation may prescribe. For the purpose of this subdivision a project shall be deemed to be self-liquidating if such project may be made self-supporting and financially solvent and if the construction cost thereof will be returned within a reasonable period by means of tolls, fees, rents, or other charges.

(b) The Reconstruction Finance Corporation is authorized and directed to advance to the Secretary of Agriculture, in addition to the amounts allocated and made available to him by section 2 of the Reconstruction Finance Corporation act not to exceed $40,000,000, of the amounts made available under section 3 of this act, for the purpose of financing sales of agricultural products in the markets of foreign countries in which such sales can not be financed in the normal course of commerce, but no such sales shall be financed by the Secretary of Agriculture if, in his judgment, such sales will affect adversely the world markets for such products.

(c) All amounts received by the corporation in repayment of any loan or advance under the provisions of this section shall be used exclusively for the purpose of retiring its notes, bonds, debentures, and other such obligations, the proceeds of which are made available for carrying out the provisions of this section.

SEC. 3. (a) For the purpose of providing funds for carrying out the provisions of section 2 of this act the Reconstruction Finance Corporation is authorized and empowered to issue its notes, bonds, debentures, or other such obligations in an aggregate amount of not to exceed $1,500,000,000. Except as to dates of maturity, which may be fixed by the corporation at not to exceed 25 years, such notes, bonds, debentures, or other such obligations shall, so far as practicable, be issued in the same manner and be subject to the same terms and conditions as the notes, bonds, debentures, or other such obligations issued pursuant to section 9 of the Reconstruction Finance Corporation act.

(b) No loan shall be made by the Reconstruction Finance Corporation under section 2 of this act to any financial institution, corporation, railroad, or other association or organization of a class to which loans may be made under the Reconstruction Finance Corporation act.

(c) The Reconstruction Finance Corporation shall submit monthly to the President and to the Senate and the House of Representatives (or the Secretary of the Senate and the Clerk of the House of Representatives, if those bodies are not in session) a report of its activities and expenditures under sections 1 and 2 of this act, together with a statement showing the grants, loans, and advances approved by it. Such reports shall, when submitted, be printed as public documents.

SEC. 4. (a) For the purpose of providing for emergency construction of certain authorized public works with a view to increasing employment and carrying out the policy declared in the employment stabilization act of 1931, there is hereby appropriated, from the emergency construction fund hereinafter created, the sum of $500,000,000, which shall be allocated as follows:

(1) For expenditure in emergency construction on the Federal-aid highway system, $120,000,000. Such sum shall be apportioned by the Secretary of Agriculture to the several States by the method provided in section 21 of the Federal highway act, as amended and supplemented (U. S. C., title 23, sec. 21). The amounts apportioned to the States shall be available as a temporary advance of funds to meet the provisions of such act as to State funds. The amount apportioned to any State under this subdivision may be used to match the regular annual Federal-

aid apportionments made to such State (including the one for the fiscal year ending June 30, 1933), and when so used such amount shall be available for expenditure in paying the share of such State in the cost of Federal-aid projects. No amounts apportioned under this subdivision shall be advanced except for work on the Federal-aid highway system performed before July 1, 1933: *Provided*, That the amounts so advanced shall be reimbursed to the Federal Government over a period of 10 years, commencing with the fiscal year 1938, by making annual deductions from moneys payable under regular apportionments made from future authorizations for carrying out the provisions of such act, as amended and supplemented: *Provided further*, That all contracts involving the expenditure of such amounts shall contain provisions establishing minimum rates of wages, to be predetermined by the State highway department, which contractors shall pay to skilled and unskilled labor, and such minimum rates shall be stated in the invitation for bids and shall be included in proposals or bids for the work: *And provided further*, That in the expenditure of such amounts, the limitations upon highway construction, reconstruction, and bridges within municipalities contained in section 4 of the act approved May 21, 1928 (U. S. C., Supp. V, title 23, sec. 6b), and the limitations contained in the Federal highway act, as amended and supplemented, upon payments per mile which may be made from Federal funds, shall not apply.

(2) For expenditure in emergency construction on public roads during the fiscal year ending June 30, 1933, $16,000,000, as follows: (A) For the construction and improvement of national-forest highways, $5,000,000; (B) for the construction and maintenance of roads, trails, bridges, fire lanes, and so forth, including the same objects specified under the heading "Improvement of National Forests" in the agricultural appropriation act for the fiscal year ending June 30, 1932, approved February 23, 1931 (46 Stat. 1242), $5,000,000; (C) for the construction, reconstruction and improvement of roads and trails, inclusive, of necessary bridges, in the national parks and national monuments under the jurisdiction of the Department of the Interior, including national parks authorized to be established under the act of May 22, 1926 (U. S. C., title 16, sec. 403), and national park and monument approach roads authorized by the act of January 31, 1931 (46 Stat. 1053), $3,000,000; (D) for construction and improvement of Indian reservation roads under the provisions of the act approved May 26, 1928 (U. S. C., Supp. V, title 25, sec. 318a), $1,000,000; and (E) for the survey, construction, reconstruction, and maintenance of main roads through unappropriated or unreserved public lands, nontaxable Indian lands, or other Federal reservations other than the forest reservations, under the provisions of the act approved June 24, 1930 (U. S. C., Supp. V, title 23, sec. 3), $2,000,000. The Secretary of Agriculture and the Secretary of the Interior, respectively, are authorized to make rules and regulations for carrying out the foregoing provisions of this section with a view to providing the maximum employment of local labor consistent with reasonable economy of construction.

(3) For the prosecution of river and harbor projects heretofore authorized, $30,000,000.

(4) For the prosecution of flood-control projects heretofore authorized, $15,500,000.

(5) For the continuation of construction of the Hoover Dam and incidental works, as authorized by the Boulder Canyon project act, approved December 21, 1928 (U. S. C., Supp. V, title 43, ch. 12A), $10,000,000.

(6) For expenditure by the Department of Commerce for air navigation facilities, including equipment; and for the construction of lighthouses, vessels, and other construction projects of the Lighthouse Service, Department of Commerce, heretofore authorized, $7,500,000.

(7) For the construction of projects heretofore authorized under the Bureau of Yards and Docks, Navy Department, $10,000,000.

(8) For emergency construction of public buildings projects in the continental United States outside of the District of Columbia, to be selected by the Secretary of the Treasury from the allocated public buildings projects specified in House Document No. 788, Seventy-first Congress, third session, for which no appropriations have been made, $100,000,000. Such projects shall be constructed within the estimated limit of cost specified in such document, and in selecting such projects preference shall be given to places where Government facilities are housed in rented buildings under leases which will expire on or before July 1, 1934, or which may be terminated on or prior to that date by the Government.

(9) The remainder of such sum of $500,000,000 shall be available for expenditure upon permanent improvement projects, to be selected by the President, for which appropriations have heretofore been made or shall be hereafter made for expenditure during the fiscal year 1932 or 1933.

(b) The unexpended balance of any sums heretofore or hereafter appropriated for expenditure during the fiscal year 1932 or 1933 upon projects referred to in paragraphs (6) and (7) of subdivision (a), or selected under paragraph (9) of subdivision (a), shall be covered into the Treasury as miscellaneous receipts.

(c) No money shall be available for expenditure under this section except in connection with projects in the continental United States outside of the District of Columbia.

SEC. 5. (a) There is hereby created a special fund in the Treasury to be known as the emergency construction fund and to be administered by the Secretary of the Treasury. For the purpose of providing funds to carry out the provisions of section 4 of this act, the Secretary of the Treasury is authorized and directed to borrow from time to time on the credit of the United States not to exceed $500,000,000, and to issue bonds therefor, to be known as emergency construction bonds, in such form as he may prescribe. Such bonds shall be in denominations of not less than $50, shall mature 25 years from the date of their issue, and shall bear interest at such rates as may be fixed by the Secretary of the Treasury, but not to exceed 4¼ per cent per annum. The principal and interest of such bonds shall be payable in United States gold coin of the present standard of value, and such bonds shall be exempt, both as to principal and interest, from all taxation (except estate, inheritance, and gift taxes, and surtaxes) now or hereafter imposed by the United States, by any Territory, dependency, or possession thereof, or by any State, county, municipality, or local taxing authority.

(b) Such bonds shall be first offered at not less than par, as a popular loan, under such regulations to be prescribed by the Secretary of the Treasury as will give all citizens of the United States an equal opportunity to participate therein. Any portion of the bonds so offered and not subscribed for may be otherwise disposed of by the Secretary of the Treasury at not less than par. No commissions shall be allowed or paid in connection with the sale or other disposition of any such bonds. All amounts derived from the sale of such bonds shall be paid into the emergency construction fund.

(c) There is hereby created in the Treasury a cumulative sinking fund for the retirement of the bonds issued under this section. The sinking fund and all additions thereto are hereby appropriated for the payment of such bonds at maturity, or for the redemption or purchase thereof before maturity by the Secretary of the Treasury at such prices and upon such terms and conditions as he shall prescribe, and shall be available until all such bonds are retired. The average cost of the bonds purchased shall not exceed par and accrued interest. Bonds purchased, redeemed, or paid out of the sinking fund shall be canceled and retired and shall not be reissued. For the sixth fiscal year after the issuance of any bonds under this section and for each fiscal year thereafter, until all such bonds are retired, there is hereby appropriated, out of any money in the Treasury not otherwise appropriated, for the purposes of such sinking fund an amount equal to 5 per cent of the aggregate amount of such bonds outstanding on the first day of such fiscal year, and for the fiscal year ending June 30, 1933, and for each fiscal year thereafter, there is hereby appropriated, out of any money in the Treasury not otherwise appropriated, for the purposes of such sinking fund, an amount equal to the interest payable on such bonds during such fiscal year. The Secretary of the Treasury shall submit to Congress at the beginning of each regular session (until all bonds issued under this section are retired) a report of the action taken under the authority contained in this section.

SEC. 6. All grants and loans made and all contracts let for construction projects pursuant to this act shall be subject to the conditions that no convict labor shall be directly employed on such projects, and that, so far as practicable, except in executive and administrative positions, no person employed on such projects shall be permitted to work more than 30 hours in any one week.

SEC. 7. The last paragraph of section 6 of the Federal highway act, approved November 9, 1921, as amended and supplemented (U. S. C., title 23, sec. 6), is hereby amended to read as follows:

"Whenever provision has been made by any State for the completion and maintenance of 90 per cent of its system of primary or interstate and secondary or intercounty highways equal to 7 per cent of the total mileage of such State, as required by this act, said State, through its State highway department, by and with the approval of the Secretary of Agriculture, is hereby authorized to increase the mileage of the primary or interstate and secondary or intercounty systems by additional mileage equal to not more than 1 per cent of said total mileage of such State, and thereafter to make like increases in the mileage of said systems whenever provision has been made for the completion and maintenance of 90 per cent of the mileage of said systems previously authorized in accordance therewith."

SEC. 8. This act may be cited as the "emergency construction and relief act of 1932."

CLAIM OF ARTHUR R. SAFFRAN

The VICE PRESIDENT laid before the Senate a letter from the Comptroller General of the United States, transmitting, pursuant to law, his report and recommendation concerning the claim of Arthur R. Saffran against the United States, which, with the accompanying report, was referred to the Committee on Claims.

PETITIONS AND MEMORIALS

The VICE PRESIDENT laid before the Senate a letter from Charles C. Muse, of Atlanta, Ga., inclosing copy of his plan for restoring and maintaining prosperity by the creation of a permanent national prosperity board, which was ordered to lie on the table.

Mr. CAPPER presented a petition of sundry citizens of Fort Scott, Kans., praying for the maintenance of the prohibition law and its enforcement, and protesting against any

measure looking toward its modification, resubmission to the States, or repeal, which was referred to the Committee on the Judiciary.

Mr. COPELAND presented a resolution adopted by the Mineola-Garden City-Hempstead (N. Y.) Rotary Club, favoring the laying aside by the Members of the Congress of "every form of partisanship" and quickly uniting to adopt a balanced Budget and a taxation plan that will be economically sound and fair to every group and calling, etc., which was referred to the Committee on Appropriations.

He also presented a petition of sundry citizens of Brooklyn and vicinity, in the State of New York, praying for the speedy adjournment of Congress, which was ordered to lie on the table.

He also presented a resolution adopted by West (N. Y.) Kartright Grange, No. 1352, protesting against the imposition of a tariff duty on lumber, and the taxing of the automobile industry, crude rubber, lubricating oil, and gasoline, which was ordered to lie on the table.

He also presented a resolution adopted by Leyden Grange, No. 562, Patrons of Husbandry, of Boonville, N. Y., protesting against the imposition of a tariff on lumber, and the taxing of the automobile industry and gasoline, which was ordered to lie on the table.

Mr. WALSH of Massachusetts presented papers in the nature of petitions from 226 citizens of the State of Massachusetts, praying for the modification of the Volstead Act and the repeal of the eighteenth amendment of the Constitution, which were referred to the Committee on the Judiciary.

He also presented papers in the nature of memorials from 38 citizens of the State of Massachusetts, remonstrating against the modification of the Volstead Act and the repeal of the eighteenth amendment of the Constitution, which were referred to the Committee on the Judiciary.

He also presented letters in the nature of petitions from 91 citizens of the State of Massachusetts, praying for the passage of legislation providing a pension system for railroad employees, which were referred to the Committee on Interstate Commerce.

He also presented papers in the nature of petitions from 203 citizens of the State of Massachusetts, praying for the balancing of the Budget, the defeat of the cash bonus proposal, the stopping of all "raids on the Treasury," and retrenchment in governmental expenditures, but preservation of the national defense, etc., which were referred to the Committee on Appropriations.

He also presented the petition of members of the Boston (Mass.) Society of Civil Engineers, praying for support of the President's economy program and the balancing of the Budget, which was referred to the Committee on Appropriations.

RECONSTRUCTION OF THE NATIONAL ECONOMIC LIFE

Mr. WALSH of Massachusetts. Mr. President, I present a memorial in the form of a resolution from citizens of Cambridge, Mass., protesting against partisanship and lobbyism in Congress, and favoring the immediate adoption of a plan for the reconstruction of the Nation's economic life, which I ask may be printed in the RECORD and lie on the table.

There being no objection, the memorial in the form of a resolution was ordered to lie on the table and to be printed in the RECORD, as follows:

Whereas, because of the unprecedented depression, unemployment, and financial deflation an emergency as serious as that of the World War now confronts the country; and

Whereas, judging by results to date, Congress seems unable to cope with the problem of the National Budget: Therefore be it

Resolved by the undersigned women, citizens of Cambridge, Mass., That we record our impatience with the methods employed by Congress in the face of national calamity and that we call upon our representatives in Congress, in view of threatened disaster to our whole economic order, to forget partisan and local politics, to resist lobbyists for special groups and particular interests, and to consider only the welfare of the Nation as a whole by accepting at once some definite leadership and by quickly adopting some plan by which a firm foundation of national integrity may be assured for the reconstruction of the Nation's economic life.

We believe that there can be no universally popular tax bill, and that every element in the country must be prepared to make sacrifices for the sake of our common safety.

Amelia W. Fisk, 82 Irving Street; Carrie F. von Balsan, 38 Monument Square; Edith C. Farwell, 4 Avon Street; Mabel Hersom Jones, 20 Prescott Street; Lena R. Morrell, 40 Avon Hill Street; Mildred Thanhouser, 5 Arlington Street; Mary Wunch, 57 Avon Hill Street; Bettina Kahnweiler, 2 Mercer Circle; Sarah Wambaugh, 22 Berkeley Street; Gertrude B. Ellis, 46 Shepard Street; Carolyn C. Holcombe, 20 Berkeley Street; Marian T. Parry, 90 Alexander Avenue, Belmont; Elizabeth A. Dexter, 536 Pleasant Street, Belmont; Alice M. Morgan, 6 Mercer Circle; May L. Allen, 22 DeWolfe Street; Helen Tufts Baillie, 22 DeWolfe Street; Amina C. Stabler, 303 Holden Green; Mrs. J. Porter Palmer, 31 Concord Avenue; Miss Susan Hildreth, 27 Everett Street; Helen Barnet Gring, 15 Hubbard Park; Mathilde T. Ward, 8 Craigie Circle; Bertha M. Lincoln, 20 Madison Street.

FLOOD CONTROL, LOWER RIO GRANDE VALLEY, TEX.

Mr. SHEPPARD. Mr. President, on Monday I offered for reference to the Committee on Printing two manuscripts from the State Department in reference to the lower Rio Grande.

I now present a letter from the Department of State transmitting those manuscripts and ask that it be referred also to the Committee on Printing with a view to having it included in the document, which I hope will contain the two other matters.

Mr. SMOOT. Mr. President, did the Senator have those documents referred to the committee with a view of having them printed?

Mr. SHEPPARD. If the committee finds that it can be done.

Mr. SMOOT. We appropriate tens of thousands of dollars to the various departments for printing. If we begin to print special reports which the departments themselves are supposed to print we shall get into trouble.

Mr. SHEPPARD. I will say to the Senator that I am submitting that matter to the Committee on Printing.

Mr. SMOOT. Very well.

The VICE PRESIDENT. The letter, with the accompanying papers, will be referred to the Committee on Printing.

REGULATION OF INTERCOASTAL COMMERCE THROUGH THE PANAMA CANAL

Mr. FLETCHER presented a resolution adopted by the Southern Cypress Manufacturers Association at Jacksonville, Fla., which was referred to the Committee on Commerce and ordered to be printed in the RECORD, as follows:

Resolution adopted by Southern Cypress Manufacturers Association at its twenty-seventh annual meeting, in Jacksonville, Fla., May 18, 1932, advocating Federal regulation of intercoastal commerce through the Panama Canal

Whereas there is a bill before the Senate of the United States, known as S. 3643, designed to amend the shipping act of 1916, for the purpose of further regulating common carriers by water in interstate commerce of the United States engaged in transportation by way of the Panama Canal; and

Whereas the control over these rates now by the Shipping Board goes no further than requiring the maintenance of maximum rates while the legislation proposed would make it mandatory for the water carriers to publish and maintain actual rates similar to the requirements of the rail lines by the Interstate Commerce Commission; and

Whereas it is in the interest of the public that just and reasonable rates be charged that have been approved by a Federal regulatory body, either the United States Shipping Board or the Interstate Commerce Commission: Therefore be it

Resolved, That the Southern Cypress Manufacturers Association go on record as favoring this or similar legislation, to the end that the intercoastal rates through the Panama Canal will be stabilized; be it further

Resolved, That a copy of this resolution be sent to the Senate Committee on Commerce, urging support of S. 3643 or any other bill or bills that may come within the scope of this resolution.

MRS. FLORENCE KELLEY—A NOTABLE AMERICAN

Mr. COSTIGAN. Mr. President, on April 30 of this year, during the discussion of the appropriation bill for State, Commerce, and Labor Departments, I took occasion to refer to a notable group of contemporary American women—among them Mrs. Florence Kelley, Miss Julia Lathrop, and Miss Jane Addams. Many Members of this Senate have enjoyed the privilege of their friendship. It is already happily clear

that their fame, which runs to the ends of the earth, will be permanent. Their lives will be identified with world-wide social welfare.

Within a short time and with startling suddenness the careers of Mrs. Kelley and Miss Lathrop have terminated. They are now comrades in immortality. It is fitting, and I so request, that a brief tribute of Miss Lathrop to Mrs. Kelley, published in the Survey of March 15, 1932, be printed in the RECORD as part of my remarks. This intimate testimonial, based on many years of friendship, was spoken in the fleeting interval of time before Miss Lathrop followed Mrs. Kelley to the hereafter. It is fine and uplifting evidence of the deathless quality of both of these remarkable American women.

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

The matter is as follows:

[From March 15, 1932, issue of Survey]

FLORENCE KELLEY—1859–1932

(By Julia C. Lathrop, former Chief of the United States Children's Bureau)

To those who read this inadequate page the name of Florence Kelley is well known. Many of you know her as a personal friend and feel for her an intimate affection and a deep respect. None of us can quite bear yet to speak of her as if she had gone away from this world which she so tenderly loved; and the more we consider what she has given to it, the more we realize that she had exemplified a spirit and method of social study and social work in the full sense of the words which will survive as long as those who come after her desire to continue her efforts, not looking down meticulously for her footprints, but in her spirit, heads up, looking forward, as she would wish.

Some of you knew Florence Kelley in her childhood or perhaps you went to school with her. I had no such privilege, but we know that she was born to a conventional and luxurious life in Philadelphia, her father, William D. Kelley, one of the ablest lawyers and most distinguished political leaders of his time; her mother of a fine Quaker family, a woman of an exceptionally gentle and retiring nature. Both must have seen with rare wisdom that this brilliant, intellectual child was not of the stuff to be driven or led in the old way of education, but rather that she must be helped to find her own path. Thus, she received a formal education indeed, but one of exceptional interest and breadth, which she pursued from school in Philadelphia to Cornell University, whose door just then was opened to women; there she was graduated with a brilliant record and thence she went to the University of Zurich. And it should be added here that years later when she felt that for her work as chief State factory inspector in Illinois she needed more knowledge of law, she quietly entered the classroom of the Northwestern University Law School, took the required courses in her spare time and received her degree in 1894.

Mrs. Kelley was an accomplished linguist, and fine translations stand to her credit. Of course she was a Phi Beta Kappa. She was always, by taste and attainments, genuinely a scholar, with a scholar's choice contempt for pretentious writing and thinking. She became absorbed in economic and social study, in the practical as well as the student's view of the labor problem, in public education as the only substitute for child labor, and in all the aspects of the struggling advance toward a just social order.

I first met Mrs. Kelley when she came to Chicago in 1891. She at once became a resident of Hull House, where she lived during the eight crowded years she spent in Illinois. Her coming was timely, and she helped from the first. Miss Addams and she understood each other's powers and worked together in the wonderfully effective way many of us well remember.

Soon a new opportunity opened. John P. Altgeld, who became Governor of Illinois in 1893, was a man of great independence of thought and action; and entirely on his own initiative, so far as I have been able to learn, he determined to appoint qualified women to various administrative and advisory positions in the State service. These appointments, carefully made and nonpolitical, surprised everyone and gratified, at least, the women of the State. The most important and difficult place was that of chief factory inspector, and for this position the governor selected Mrs. Kelley, and as first assistant appointed Mrs. Alzina P. Stevens, of Chicago, a well-known leader in women's labor organizations. A legend exists to the effect that when the announcement of these two appointments was made some one remonstrated in a friendly way, saying that two such "big women" would never be able to work together, to which the governor replied, according to the legend, "If they are big enough for the job, they will get along together well enough." The event proved that the governor was right.

Mrs. Kelley, her assistant, and staff worked courageously and ably in enforcing the Illinois statute restricting the work of women and girls in manufacture to 8 hours in one day and 48 hours in one week, but the statute was short lived. In 1895 the Supreme Court of Illinois pronounced the provision unconstitutional.

Mrs. Kelley remained in Chicago at Hull House, always doing whatever came to her hand—studying, writing, teaching, speaking, always stimulating—until she seemed an essential element of Chicago. But in 1899 she became general secretary of the National Consumers' League, whose office was in New York, and from that office she reached out across our country and beyond for the rest of her life.

In New York she lived for some years at the Nurses' Settlement with Miss Wald, and there, as in Hull House, she gave invaluable help.

It was from this settlement background in two cities that she drew much of her intimate knowledge of humankind, her interest in working women, in children, in negroes, and in immigrants.

In Mrs. Kelley's book, Some Ethical Gains Through Legislation, published in 1905, we find a plan for a United States commission for children, whose scope and purpose was carried out in concise form in the Children's Bureau act of 1912. Its passage was aided by such support from the settlements as perhaps few of us realize.

We all know how lavishly and modestly Mrs. Kelley gave herself, how faithfully she attended conventions and conferences and committees, speaking in that flutelike voice as if she was delighted to have the privilege, praising and stimulating others, asking nothing for herself. She gave herself so unsparingly that sometimes it seemed as if her life was too hard; but as I think now of her life, I think she had much happiness. She was surrounded by friends, known and unknown—she must have felt that. Always her mind to her a kingdom was. She must have had happiness in ruling it for the common good. More precious than all else, she had her beloved family, her sons, her grandchildren. Yes; hers was a nobly rich and generous life. We know its influence must reach far beyond her day and ours.

REPORTS OF COMMITTEES

Mr. SMOOT, from the Committee on Finance, to which was referred the joint resolution (H. J. Res. 336) construing section 503 (b) of the tariff act of 1930, reported it with amendments and submitted a report (No. 728) thereon.

Mr. LA FOLLETTE, from the Committee on Indian Affairs, to which was referred the bill (S. 4660) authorizing a per capita payment of $50 to the members of the Menominee Tribe of Indians of Wisconsin from funds on deposit to their credit in the Treasury of the United States, reported it with amendments and submitted a report (No. 729) thereon.

Mr. BINGHAM, from the Committee on Finance, to which was referred the bill (S. 4367) to enable the collection of import duties on foreign-made goods entering the Virgin Islands through parcel-post mail, reported it without amendment and submitted a report (No. 730) thereon.

Mr. NORRIS (for Mr. AUSTIN), from the Committee on the Judiciary, to which was referred the bill (H. R. 9259) to amend section 106 of the act to codify, revise, and amend the laws relating to the judiciary (U. S. C., title 28, sec. 187), reported it without amendment and submitted a report (No. 731) thereon.

Mr. McNARY, from the Committee on Agriculture and Forestry, to which was referred the bill (S. 4536) to amend the agricultural marketing act, approved June 15, 1929, reported it with amendments and submitted a report (No. 732) thereon.

EXECUTIVE REPORTS OF COMMITTEES

As in executive session,

Mr. ODDIE, from the Committee on Post Offices and Post Roads, reported favorably sundry nominations of postmasters.

Mr. GEORGE (for Mr. ODDIE), from the Committee on Post Offices and Post Roads, reported favorably several nominations of postmasters.

Mr. GEORGE, from the Committee on Finance, reported favorably the nomination of John C. Tulloch, of Ogdensburg, N. Y., to be collector of customs for customs collection district No. 7, with headquarters at Ogdensburg, N. Y. (Reappointment.)

Mr. SMOOT, from the Committee on Finance, reported favorably the following nominations:

George D. Hubbard, of Seattle, Wash., to be collector of customs for customs collection district No. 30, with headquarters at Seattle, Wash. (reappointment); and

Passed Assistant Surgeon Leo W. Tucker to be a surgeon in the Public Health Service, to rank as such from June 15, 1932.

The VICE PRESIDENT. The reports will be placed on the Executive Calendar.

BILLS INTRODUCED

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

By Mr. PATTERSON:

A bill (S. 4751) granting a pension to Lura C. Fields (with accompanying papers);

A bill (S. 4752) granting an increase of pension to Rinda Hammock (with accompanying papers); and

A bill (S. 4753) granting an increase of pension to Nancy A. Mathis (with accompanying papers); to the Committee on Pensions.

By Mr. TYDINGS:

A bill (S. 4754) granting an increase of pension to Amanda Tobias (with accompanying papers); to the Committee on Pensions.

(Senate bill No. 4755, introduced by Mr. WAGNER, Mr. ROBINSON of Arkansas, Mr. PITTMAN, Mr. WALSH of Montana, and Mr. BULKLEY and referred to the Committee on Banking and Currency, appears under a separate heading.)

By Mr. FRAZIER (by request):

A bill (S. 4756) to authorize the Veterans' Administration or other Federal agencies to turn over to superintendents of the Indian Service amounts due Indians who are under legal disability, or to estates of such deceased Indians; to the Committee on Indian Affairs.

By Mr. DILL:

A bill (S. 4757) applying the powers of the Federal Government under the commerce clause of the Constitution to aid the States in the suppression of racketeering and gangster activities; to the Committee on the Judiciary.

By Mr. THOMAS of Idaho:

A bill (S. 4758) for the rehabilitation of the Big Lost River project, Idaho; to the Committee on Irrigation and Reclamation.

By Mr. HOWELL:

A bill (S. 4759) to extend the times for commencing and completing the construction of a bridge across the Missouri River at or near Florence, Nebr.; to the Committee on Commerce.

CHANGES OF REFERENCE

Mr. McNARY. In March the bill (S. 4035) for the relief of Frank P. Ross, and the bill (S. 4036) for the relief of Earl A. Ross, were referred to the Committee on Agriculture and Forestry. After considering the bills, I am of the opinion that the jurisdiction lies with the Committee on Public Lands and Surveys. I ask unanimous consent that the Committee on Agriculture and Forestry be discharged from the further consideration of the bills and that they be referred to the Committee on Public Lands and Surveys.

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

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States, submitting a nomination, was communicated to the Senate by Mr. Latta, one of his secretaries.

YOUTH IN POLITICS AND THE DEMOCRATIC PARTY

Mrs. CARAWAY. Mr. President, I ask permission to have printed in the RECORD a radio speech delivered by Otis T. Wingo, jr., on the subject of "Youth in Politics and the Democratic Party," over the Columbia Broadcasting System on March 7, 1932.

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

Seventy-six years ago the presidential campaign between the Republican, John C. Frémont, and the Democrat, James Buchanan, was terminated, as far as the Princeton campus was concerned, in an occasion of much elaborateness.

A torchlight procession was organized with a coffin occupying the foremost position of honor and notice. At the front gate of the campus an effigy of the Republican candidate was tenderly placed in the coffin and a torch applied, while a funeral sermon was delivered over the remains. The next day the orator was suspended.

Starting a century before that time, in the early years of our Nation, many of the American college and university campuses have been periodic scenes of political activity in support of the national parties, as the presidential campaigns were waged every four years.

The political activity and participation of American undergraduates, however, has not kept pace with the active interest of students in the rest of the world or the contemporary members of the younger generation of America outside of schools. European students are very politically minded and enthusiastically engage in the current discussions and decisions of public questions.

In the rest of the civilized world the nations look to their educated citizens for the bulk of leadership in public affairs, but in America the general tendency of undergraduates has turned to an aloof and sometimes cynical neglect of their inherent duties.

It has seemed to many of our students that the purpose of university life has been to improve their economic and social positions rather than pave the way for disinterested service to the community. This misconception has disregarded the dependence of the economic and social development of a nation upon the success of its political management.

The statesman who shapes the contours of public life builds the conditions upon which depend alike the progress of science and scholarship, which, in turn, foster our economic and social growth.

It is to the good of all agencies that government be efficiently and intelligently operated.

In but a few years the present bodies of undergraduates will form part of the group of educated minds whose responsibility it will be to lead in the discussion and solution of the Nation's affairs.

A serious consideration of the current questions before the Nation, which are at this time of more than usual concern to the general welfare, will not only aid intelligent solution of present controversies but will also prepare a sound understanding and satisfaction of the problems to come.

It is the duty of undergraduate citizens to prepare themselves now for their postgraduate responsibilities.

The best results in political affairs can be obtained by the individual through the party. The 2-party system, a fundamental part of our political structure, calls for the development and adoption of policies and ideals by means of the aid of the party's support and strength.

Trained citizens, who realize their duty in public affairs, can best gain their worthy aims of intelligent consideration of public problems and the efficient and equitable management of government by joining one of those groups devoted to concerted expression and action in public affairs.

To a degree far greater than that of its opposition does the Democratic Party welcome the entrance of youths and trained citizens into its ranks. Always during its history of more than a hundred and thirty years the Democratic Party has been the fort and home of all the people. Always has it stood for government, not only by the people but also for the people—the whole people, and not just for a small favored group representing a powerful interest, as has been the unhappy and ill-fortuned practice of the Republican Party.

Turning from their previous practice of heralding the full dinner pail as evidence of a great and lasting prosperity created and maintained by special permission of the copyright owners—the Republican Party—the Republicans have found that their copyright has expired and that their song has ended.

To offset as much as possible the inevitable repudiation that has consequently fallen upon them—as evidenced by the congressional elections of last year giving the majority of the House of Representatives to the Democrats—the members of the opposition are attempting the criticism that the Democratic Party has no definite program or line of action. It is regrettable that political discussion, particularly by that side which claims the incumbent national administration, should turn to destructive depreciation of the opponents' accomplishments rather than earnest application to produce constructive plans of action and material results.

Rather than criticize our rapidly weakening opposition let us turn to the constructive program of the Democratic Party.

The success of the Democratic Party in the guidance of the economic welfare of the Nation has been instanced both in the eight years of its last administration and in the noteworthy accomplishments of the present Democratic House under the leadership of the Democratic Speaker.

That admirable and effective piece of legislation, the creation of the Federal reserve system by the Democrats, has been strengthened and developed again by the Democrats in their up-to-date, constructive, and encouraging financial legislation of the present congressional session such as the Glass-Steagall Act.

Realizing the inexistence of an actual panacea for unemployment, the Democrats have taken steps to meet such a situation through the measures of Senator WAGNER, of New York. Providing machinery for accurate determination of the extent of unemployment, fixing definite provision for long-time planning of Government projects to enable the incidence of the actual work at the most desirable time, and setting up joint agencies of State and Federal Government to find work for the unemployed, the measures were impeded in every possible way by the administration and, finally, when, despite such opposition, the bills passed Congress through the force of public opinion, the most important of them was vetoed by the Republican President.

The tariff bill of the Hoover administration in its threats and then in its realities has been a potent factor in the depression from which we are suffering. America can not build up tariff walls that create an embargo on foreign goods and expect foreign nations to buy from us. This handicap to recovery must be remedied for the restoration of permanent prosperity.

The people of the world to-day are weighted down with an intolerable burden of armament. At a time when governments are tottering on the verge of bankruptcy this tremendous expenditure goes on, heavily augmented by the huge expenses

directly resulting from previous wars. America must return to its former position of world leadership in the direction of a sane movement that will effectively bring about the reduction of armaments and the establishment of peace.

The current situation in the Far East spurs us on to control the war dogs that selfishly threaten the peace of the world. Whatever we may collect from the just debts of billions of dollars owed to us by foreign nations, let us utilize our position as the greatest creditor nation the world has ever known to force upon the world such limitation of armaments as will ultimately result in the thing for which, through the ages, men have longed and women have prayed—the abolition of the means of war.

There is being unfolded now from day to day in the Nation's House of Representatives the picture of what may be expected of complete Democratic leadership of the Government.

The feeble belittling by the Republican politicians of the most excellent work of the Democratic House has been overbalanced by the more sportsmanlike admission of Republican obstacles they have had to face.

The Democratic House has not played partisan politics; where it could accept recommendations of the President it has done so promptly and generously. Where it has felt the necessity of going outside or beyond these recommendations it has the courage to assume responsibility on its own account. What it has accomplished, what it will accomplish, represents to the American people the constructive program and the intelligent administration of affairs that may be confidently anticipated at the hands of a Democratic Executive and a Democratic Congress following the election of 1932.

It is imperative that the Democrats be given complete charge of the Nation's affairs in order that the right principles and practices of Government for the benefit of the whole people may be reestablished. The Democratic Party as the liberal agency of the forces of American public life must extend its liberalism to every problem that confronts the people, not only for the next four years but for years to come. I thank you.

YOUTH IN POLITICS AND THE REPUBLICAN PARTY

Mrs. CARAWAY. Mr. President, I ask permission to have inserted in the RECORD a radio speech delivered by Donnell K. Wolverton, executive chairman of the Princeton Republican Club, delivered on March 7, 1932, on the subject of college political clubs.

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

The fundamental purpose of college political clubs is to encourage study of the policies, aims, and purposes of our major political parties.

Active participation in public affairs is the duty of all, and especially of those who have the advantages of education.

How can this obligation be most effectively fulfilled, by acting singly and alone, or in unison with others?

The division of the American people into parties is the result of many years of trial and experiment in government. Experience has proved that two parties are necessary for good government.

Political parties were created not by law but by necessity. Some method of ascertaining the will of the majority on important governmental policies had to be found. Thus parties came into existence as the instrumentality by which the people could express their conviction on declared principles and programs.

For more than a century our Government has been carried on by party machinery. Ours is a government of parties.

Some individuals pride themselves on independence of party obligations, yet thoughtful consideration of what party solidarity has accomplished for the general welfare, which could not have been accomplished by independence of party action, is not only a sufficient justification for our American system of party government, but also a clarion call to the young men and women of our colleges to identify themselves with party activity.

To-day, as I present the claims of the Republican Party for your allegiance, I am proud that I am speaking in behalf of a party that has never sought to win a Presidency or carry a Congress by conspiring with destructive and uneconomic forces.

No student of American politics can fail to be impressed by the record of the Republican Party.

In preserving the Union, warding off foreign encroachments in this hemisphere, avoiding entanglements in foreign politics, expanding commerce, maintaining a high standard of living by protecting American industry, agriculture, and labor, building up the Navy and the merchant marine, improving waterways and harbors, restraining monopolies, cultivating Pan American friendship, limiting naval armament, maintaining the gold standard, establishing the Federal Budget, protecting workers from an influx of unskilled foreign labor, refusing to cancel foreign debts, renouncing war, promoting treaties to insure world peace, reducing the public debt, keeping the Government out of business, and in all other policies, both domestic and foreign, the Republican Party has constantly aimed to advance the interests of the United States and to provide for the welfare of its people.

For 55 years out of the seventy-odd years of its existence it has controlled and directed the destiny of our Nation. During this period only two Democrats have been elected President, while 11 Republicans have filled that office. Truly, it may be said that the history of the development of the United States, since the Civil War, has been synonymous with the history of the Republican Party and its accomplishments.

Time and again in periods of national crisis the people of our country have looked to the Republican Party to supply the necessary leadership to meet the emergency.

To-day the Republican Party, under the leadership of President Hoover, is the only party with a definite program. Democratic leadership has utterly failed. On the convening of Congress in December, Speaker GARNER, as the foremost Democratic official, on assuming the speakership of the Democratic House of Representatives, said: "Ordinarily this would be an occasion when I might express the hopes and aspirations of the House of Representatives in its legislative program, but at the moment I do not * * * think it advisable * * * to make a statement on that subject. At a later date—and I hope at an early date—I expect to make to you a complete statement touching that program." Although nearly three months have passed, there has not been any declaration or statement of program by Speaker GARNER or anyone else in the Democratic Party. This utter lack of constructive thought on the part of the Democratic Party affords a glaring contrast with the aggressive economic program of the Republican administration under the leadership of President Hoover.

While neither the Republican Party nor its leader is in any way responsible for the present depression, the Republicans have met the crisis with a series of economic acts that have prevented our people from experiencing the terrible conditions existing in Europe.

As soon as the depression fell upon the country, President Hoover secured an agreement between capital and labor to maintain the standard of living. Next he launched the country on an extensive construction of public buildings, and thereafter prevented further immigration by an Executive order, organized a national committee to relieve unemployment, prevented an international financial collapse through the moratorium, organized a credit corporation to strengthen banking institutions, provided financial help for industry, railroads, and banks by the creation of the Reconstruction Finance Corporation, increased credit facilities by liberalizing the laws affecting the Federal reserve system, recommended measures to relieve depositors in closed banks, also home-mortgage bank system to aid home owners, aided the farmers through extended mortgage loans and additional funds for livestock and seed planting, and established the national credit by the decision to balance the Budget through increased revenue and drastic governmental economies.

These are not all of the accomplishments, but they form ample proof of the splendid leadership of President Hoover and the Republican Party in this hour of national necessity. Let those who would criticize answer the question, "What would you have done that Hoover hasn't done?"

The Republican Party is the party of the future as well as the party of the past and present. It is the party through which young men and women can find the greatest opportunities for making progress as public leaders. As it dominated the past, so it challenges the future and calls to its colors with an irresistible appeal the students of our American colleges and universities.

LEGISLATION BY CONGRESS URGED

Mr. BROUSSARD. Mr. President, by request, I present a copy of a resolution adopted by the board of directors of the New Orleans Cotton Exchange in conjunction with and on recommendation of the New Orleans Spot Cotton Merchants Association on May 19, 1932, which I ask leave to have published in the RECORD.

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

The continued disposition shown by Senators and Congressmen to vote billions of the taxpayers' money for the support of unsound nostrums and in support of selfish groups and salaried beneficiaries; the continued waste and extravagant spending by our Government; the seeming unwillingness of Congress to face the facts, and to bring the cost of Government down to a practical level; to devote adequate and constructive thought and action to the reopening of clogged trade channels and to the revitalizing of the Nation's economic life—all leave in their wake popular discontent, doubt, and fear among investors, producers, and generators of business, with consequent unemployment and heavy loss.

After the expenditure of half a billion dollars of taxpayers' money and the exercise of the most extensive and arbitrary powers ever granted a Federal board, the Farm Board has not succeeded in helping the cotton farmer.

On the contrary, following the most extensive speculation which has ever confronted the cotton market, the many overoptimistic promises to the farmers, the extension of excessive and inadequately secured loans, and the hoarding of large stocks of cotton, all fostered, encouraged, and aided by the Farm Board, the value of cotton not only has dropped from about 18 cents to less than 6 cents, but the sales value of a pound of United States grown cotton has dropped well below a parity with foreign growths.

No better illustration of the futility of the Farm Board as a farm aid, its exotic policies, and its waste of many millions of the taxpayers' money is needed.

We protest against the continued waste and extravagant spending by the Federal Government.

We protest against the appropriating of any further tax moneys for the use of the Farm Board.

With all the earnestness at our command we ask, urge, and insist that Congress devote its thought and action to such legislation as is required to eliminate all unnecessary boards, bureaus, commissions, and activities, and to reduce the cost of Government to a practical basis.

To promptly take steps to provide for an international conference on customs-tariff reform, in the interest of reciprocal-trade revival.

To provide for reconsideration of the antitrust laws, to the end that wholesome business may make the readjustments necessary to enable it to function efficiently under the new creditor status of the Nation.

To provide for nonpartisan and unprejudiced reconsideration of world debts due the United States before the nations repudiate them, with a view to the swapping of some old and uncollectible debts for new and helpful trade opportunities.

American business initiative and enterprise can not much longer survive the neglect—and worse—of which the economic life of the Nation is now a victim.

Our final request and demand is that Congress seriously consider ways and means of reducing and eventually eliminating the control over Government that is now so tragically exercised by selfish groups and other beneficiaries of waste and extravagant Government spending and for the restoration of such control to the people themselves.

Resolved, That copies of this declaration be sent to each Senator and Representative from Louisiana, accompanied by a request that it be read to the Senate and House of Representatives of the United States; and also that copies be sent to all cotton exchanges, boards of trade, and similar associations, with the request that they adopt this or like resolutions.

PUBLIC WORKS

Mr. LA FOLLETTE. Mr. President, I ask unanimous consent to have printed in the RECORD a statement appearing in the Washington Herald this morning from former Gov. Alfred E. Smith, of New York, concerning public works.

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

SMITH TAKES ISSUE WITH THE PRESIDENT'S STAND ON PUBLIC-WORKS UNEMPLOYMENT RELIEF LOAN—HIGHWAYS MORE IMPORTANT THAN TOLL PROJECTS, LEADER THINKS—REVENUE AND NONREVENUE PRODUCING CAPACITY CALLED MINOR POINT

The President in his letter to the president of the American Society of Civil Engineers has made a number of statements as to a Federal public-works program, on which I have been asked to comment, presumably because I have been strongly in favor of such a program.

Let me say first, as I have stated repeatedly, that I am in entire sympathy with the President as to the honest balancing of the Federal Budget, as to the expansion of credit by Federal reserve banks, as to the continuation of the work of the Reconstruction Finance Corporation, and as to the general principles of relief as set forth in his letter.

I do not, however, agree with him at all as to the distinction between productive and nonproductive public works, nor as to the distinction between loaning the credit of the National Government through the Reconstruction Finance Corporation or any other agency and the issuance of public-works bonds.

What is more important is the main thing overlooked by the President, and that is the need of finding immediate productive employment for millions of people. This problem transcends all technicalities, all hairsplitting, and all finespun theories of financing.

The fact of the matter is that we must find such productive work and find it immediately to meet what every thinking person recognizes as the most deplorable condition this country has seen in the time of people now living.

It is clear that private business can not get under way on its own initiative. I think the first thing which we should do is to make a list of public improvements which are actually ready to start, for which plans and specifications are made, which will immediately employ men, but which are not moving because of lack of funds.

THE REAL POINTS

We should include in this list public works, National, State, and local, semipublic works of municipal corporations, and even corporations affected with a public interest. The important test should be not whether the work or project is self-supporting or revenue producing but, first, whether it is needed; second, whether it is ready to go ahead; and, third, how much labor it will employ directly or indirectly.

I am entirely unable to recognize the validity of the distinction which the President points out between productive and nonproductive or revenue and nonrevenue producing work. He mentions a bridge and a tunnel to be financed by tolls as being a worthy project and a highway as being an unworthy one. Obviously he can not mean this.

I do not know of a bridge or tunnel project of any magnitude, whether revenue producing or nonrevenue producing, whether it is to be operated by tolls or free, which does not depend upon connecting and approach highways for its success.

I was Governor of New York when the port-authority plan was started, was a member of the first commission after the plan was adopted, and was subsequently governor when its major projects were gotten under way. Neither the toll bridges nor vehicular tunnel under the port authority could operate successfully if it were not for the money spent on approach highways.

Millions of dollars were spent in New Jersey for vitally needed connections with the George Washington Bridge. The main difficulty with the New York side of this bridge is the absence of adequate approaches. The new Triborough Bridge, which is a toll bridge being built by New York City, will be of little use unless parkways and wide boulevards are built in Queens and the Bronx to connect it with the main arteries outside of the city.

DOZENS OF PROJECTS

Similarly, I know of dozens of highways, boulevards, and parkways on main routes on which construction could be started in 90 days, which will not only employ labor promptly, but will raise property values and otherwise redound to the permanent prosperity of the community and the country.

On the other hand I know of so-called revenue-producing projects which are only revenue producing on paper and which do not have anything like the permanent value of non-revenue-producing or nontoll projects. As to nonliquidating Federal construction, can it be possible that the President has turned his back on authorized Federal projects for which no funds have as yet been made available? If so, why were those projects ever authorized by his signature? Why have plans been drawn for them, and the local communities been told that they will be built?

Let us take another example of the relation between revenue-producing and non-revenue-producing improvements. Low-cost new housing is worthless without sewers, sidewalks, streets, and other utilities, most of which are not self-liquidating or revenue producing. Grade-crossing eliminations save lives and time. They may be vitally necessary.

A loan to railroads or States may get them started promptly, but they don't produce revenue. The distinction between liquidating and nonliquidating improvements simply does not stand analysis. And why should the President fear logrolling or favoritism? The decisions should be up to him. There will certainly be a lot less pressure for unnecessary or undesirable public works than for projects to help private corporations and railroads. No doubt there will be some mistakes and some waste, but the colossal waste and stupidity of the dole and made work will be avoided, and that is precisely what we are heading for if we don't go ahead with public works on a national scale.

SOURCE OF CASH

I am entirely unable to follow the President's distinction between the issuance of Federal bonds and the use of Federal credit. The Reconstruction Finance Corporation is a Government corporation. It is backed by the credit of the United States. When it loans money to banks, railroads, or other corporations, or, if in the future it is authorized to loan to States and municipalities, it is obvious that at some stage of the game the borrower must have cash to pay the laborers and the unemployed about whom we are all talking.

Where does the cash come from? So far it has come from the United States Treasury, in part through a direct appropriation by Congress and in part by the corporation borrowing from the Treasury. Of course, both the initial capital and the subsequent borrowing is expected to be paid back by those who borrow from the Reconstruction Finance Corporation, but, nevertheless, the Treasury must obtain the money in the first instance by selling Treasury tax notes or certificates, or by depleting the Treasury balances, so that tax-note certificates or bonds must be sold to defray other expenses.

It follows, therefore, that in the last analysis from the point of view of unsettling the bond market there is no difference between issuing Federal bonds and using Federal credit. I understand perfectly that in the one case the Federal Government merely does temporary financing, because it expects to get the money back, while in the other case it must raise enough by taxation over a period of years to pay the entire cost of nonrevenue-producing improvements.

I have proposed to meet the cost of public works by a tax on beer or by a sales tax, or both. No one in his senses doubts that a reasonable beer tax over a period of a few years would take care of as much of a public-works bond issue as is needed. This is also true of the general manufacturers' sales tax.

I may add, incidentally, that it is a pretty large assumption that all the so-called self-liquidating projects entered into by the Reconstruction Finance Corporation will actually in effect liquidate themselves and pay back a hundred cents on a dollar. That would be pretty close to a miracle.

ASKS LATITUDE

In any event, I see no reason to quarrel with the President on this subject at this time. Why not give him sufficient latitude to progress public works, both revenue producing and non revenue producing, Federal, State, and local, and also semipublic works? I would prefer not to see this done through the Reconstruction Finance Corporation, but if the President insists upon it, let him have his way.

If it is to be done through the Reconstruction Finance Corporation, let Congress set a maximum sum up to which the President may thereafter issue bonds and let the President decide on the allocation for the different kinds of improvements and the officers of the Reconstruction Finance Corporation take care of the details.

The important thing is to provide sufficient credit to get all work under way which measures up to the test that it is productive and that it will employ labor immediately. It is quite possible

that the President will find when the plan begins to operate that the distinction between revenue and non revenue producing public works is not as important as he now thinks.

I am, however, recognizing the magnitude of the problem and giving the President the means to meet it. I would give him the power in the broadest possible terms and the responsibility which should go with it.

If we don't tackle this problem now in a big way, we shall be driven to much more drastic measures a few months from now, when the millions of unemployed will not be so patient with quibbling over words.

THE PRESENT CRISIS

Mr. LA FOLLETTE. Mr. President, I ask unanimous consent to have printed in the RECORD an address delivered by Rev. John A. Ryan, D. D., director of the department of social action of the National Catholic Welfare Congress, at a meeting held in Baltimore yesterday evening.

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

"Our weighty office of propagating, interpreting, and urging in season and out of season the entire moral law demands that both social and economic questions be brought within our supreme jurisdiction, in so far as they refer to moral issues."

Thus speaks the holy father in his encyclical, Quadragesimo Anno, issued one year ago this month. He tells us that economic actions and relations are subject to the moral law, and that the church is divinely commissioned to interpret and apply the moral law in the field of economics as in other spheres of human action. In the encyclical just mentioned, Pope Pius XI performed this task for the whole economic order. In conformity with the principles laid down in that document, I shall attempt this evening to apply the Christian moral teaching to the problems of our social and economic crisis.

Speaking of world conditions, Pope Pius XI declares in his latest encyclical: "If we should pass in review the long and sorrowful sequence of woes that, as a sad heritage of sin, mark the stages of fallen man's earthly pilgrimage from the flood on, it would be hard to find spiritual and material distress so deep, so universal, as that which we are now experiencing * * *." Referring likewise to world conditions, the very distinguished and very able British economist, John Maynard Keynes, asserts in the Atlantic Monthly for May, that the most urgent question before us is this: "Can we prevent an almost complete collapse of the financial structure of modern capitalism?"

The crisis has two phases, which may be designated as the human and the economic. The human elements are manifested in the unprecedented suffering of millions of our people, the plight of religious institutions, the losses suffered by thousands upon thousands who are still in receipt of some income, and the imminent danger of violent resentment and uprising unless adequate relief is soon forthcoming. Between eight and ten million wage earners are totally unemployed and several other millions are working only part of the time. A very large proportion of the wholly unemployed have been in that condition for more than a year. The abysmal distress of the unemployed can be sufficiently appreciated when we glance at the following summary facts: In Niles, Ohio, one-fourth of the population is subsisting on a food allowance of $1 a month per person; in Toledo and Tulsa the average allowance for 60,000 human beings is $2.14 a week per family; in New York the amount per family is $2.39 for all purposes; in Philadelphia it is $4.23—of this sum the food expenditure is $3.93, which the social workers there maintain is only two-thirds of what is required for health; in many other cities the weekly allotments per family for food is between three and five dollars. Admitting that the food allowance in most cities is still enough "to keep people alive," Miss Lea D. Taylor, a very able and competent social worker, declares:

"Every social worker and every intelligent citizen knows that people have other basic needs than food, needs which must be met if human values and family life are to be preserved. Shelter certainly is essential, yet we wait until almost the moment of eviction before we give a family the assurance that for a little while longer it will have a roof over its head. What does that do to self-respect? Clothing is presumably essential, yet it figures seldom in relief as we now talk about it. Can families live indefinitely with no renewal of household supplies? 'I wish they'd send a broom and a scrubbing brush with the rations,' said a distracted mother."

Referring to the social workers, Miss Taylor continues:

"Who knows better than we what the continuing depression is doing to helpless people? We know that the courage, the stanch family loyalty, the generosity of friends and relatives, the consideration of landlords and grocers are being taxed to the utmost and are near exhaustion. We see increasing malnutrition of children, heightened nervous tension of men and women facing insecurity of shelter and of family needs. We see mental strain and breakdown, a growing tendency to beggary, the shattering of self-respect and morale, the demoralizing results of idleness to adolescent children who are not in school."

Religious institutions of all sorts—educational, charitable, and spiritual—are experiencing a decline of income and resources, which is greatly reducing their ability to render service. Many parishes are on the verge of bankruptcy. Our bishops are only too well aware of the difficulties and dangers that have been created by the decline of employment and of income among our people. Hundreds of thousands of business men and the possessors of small investments are in grave and genuine distress even though they may be still in receipt of some income. And unless something heroic is done soon to check the continuous downward movement of business and employment the sufferings of almost all classes of our people will become intolerable.

Speaking of the economic reform advocated by Pope Leo XIII, the present Holy Father has said: "Unless serious attempts be made with all energy and without delay to put them into practice let nobody persuade himself that the peace and tranquillity of human society can be effectively defended against the forces of revolution." These portentous words may be applied without reserve to our present social crisis. A few days ago the representatives of the very conservative railroad brotherhoods said to the President of the United States: "We can not assume responsibility for orderly operation of railroads unless relief is given." At about the same time Edward F. McGrady, legislative representative of the American Federation of Labor, a man who has always been conservative in thought and speech, who is old enough to be and is a grandfather and who is withal an excellent Catholic, made the following statements before a committee of Senators:

"Leaders of union workers have been preaching patience. They have gone back to their hungry fellow workers time after time and urged them to do nothing drastic.

"But I say advisedly that if nothing is done by Government and starvation increases the doors of revolt will be thrown open and leaders can not close them.

"The men who have power in Washington seem to think it is enough to keep crying, 'Balance the Budget! Balance the Budget!' I want to tell you that there are two other words beginning with 'b' that are a good deal more important. They are bread and butter. The unemployed want to get their bread and butter by work, but they are going to get it.

"I have torn aside the curtain, so that you will know what is being talked about in every place where the workers gather. They are resentful, bitterly resentful. A large proportion of every gathering is composed of ex-soldiers, and they feel more resentful than the rest.

"If this administration allows Congress to adjourn without providing some relief for the more than 8,000,000 workers who are totally unemployed and at least 7,000,000 more on part time, I for one will do nothing to close the doors of revolt!

"I have traveled through 17 States in the last few weeks. I have talked to tens and tens of thousands of hungry men and women. But I am not coming before any more committees to plead for relief. * * * We, too, have lost our patience."

What has Catholic moral teaching to say about this situation? It says something very definite and very positive. It tells us that when the needs of an individual or a community are grave the possessors of superfluous goods—that is, goods which are not needed for the fitting support of their customary standard of living—are under a grave obligation of charity to relieve all the grave needs that exist. Now, the degree of need that is indicated by the miserable amounts of weekly relief bestowed upon the destitute as described above is surely grave.

If the moral theologians who originally formulated this scientific Catholic doctrine of the relation between needs and superfluities were alive in America to-day, they would unhesitatingly affirm this judgment. If the thousands of moral theologians who have for centuries repeated with approval this teaching were witnesses of the suffering now endured by millions of Americans, they would be unanimous in approving that decision. In a word, the Catholic moral teaching on almsgiving, as it is technically called in the textbooks, condemns the current "relief" as falling far short of the obligations imposed by the law of reason and the commands of Christ.

It would not be fair to include the rich or any other particular class under this severe condemnation. When the volume of distress is as great as it has been for many months in the United States, the obligation of relief can not be fully discharged through individual action or even through voluntary associated action. It can be fulfilled only by the organ which represents the whole community, namely, the State. This obligation the civil authorities have neither appreciated nor fulfilled. Many of the cities have done the utmost that is practicable; several of the States have likewise discharged their obligation in reasonable measure; but the Federal Government has up to date done absolutely nothing. The national administration has minimized the amount of suffering and exaggerated the local resources, while Congress has refused to appropriate even a moderate sum of money to fulfill even a part of its obligation. The words of Pope Pius XI in his encyclical on Christian Marriage, may fittingly be quoted here: "If, however, private resources do not suffice, it is the duty of the public authority to supply for the insufficient forces of individual effort, particularly on a matter which is of such importance to the common weal, touching, as it does, the maintenance of the family and married people."

In the present predicament, the Federal Government is the only political authority in the United States which is capable of providing adequate relief, fulfilling this duty of the State adequately. This implies an appropriation in much larger volume than the $300,000,000 recently specified by the President and by the Democratic leadership in Congress. The resources of our country, natural, mechanical, and intellectual, are more than sufficient to provide all the destitute with at least the minimum of decent

existence. That means at least $15 a week per family of five. The miserable amounts which the families of the unemployed are now receiving constitute not only a disgrace to our people and a foul blot on the fair name of America, but a grave violation of distributive justice and Christian charity. Distributive justice commands the State to allot benefits according to needs and burdens according to capacities. In the present situation this formula requires our Federal state to provide the destitute unemployed with at least the weekly amount that I have just mentioned and to collect the necessary taxes from those persons who are best able to pay. By enforcing this program, the Federal Government will also fulfill the grave obligation of charity which requires that superfluous goods be devoted to the relief of all grave needs.

Under the head of economic aspects of the crisis, I shall consider briefly the proposed Federal tax legislation and the efforts of the Federal Government to lessen unemployment and initiate a revival of business. Both as an economist and as a moralist, I regard the policy of balancing the Budget at this time as unnecessary and unjustifiable. During the great war we did not think it necessary to balance the Budget, although the annual deficit was much greater than it is at present and the productive resources of the country considerably smaller. Since, however, Congress has committed itself to that mistaken course, the only questions for consideration are those of economy and taxation. No economies in the operation of the Federal Government and its divisions should be adopted which would cause the discontinuance of any useful service to the people or the reduction of the wages or salaries of Federal employees. Such measures would make the industrial depression worse, by destroying purchasing power and thereby diminishing business. Concerning taxation, the main issues revolve about the sales tax and high income taxes.

In this field we have one clear-cut Catholic principle which has been expounded without variation for centuries by the moral theologians. It is that taxes should be imposed according to ability to pay. Incidentally, this is the canon of taxation that is generally received among the economists. Now the only accurate and the only completely just measure of ability to pay is found in a person's annual income. That measures the amount that he has available in any given year for paying taxes in that year. The moral theologians are also unanimous in declaring that the rates in an income tax should be progressive, not uniform, in order to bring about something like equality of sacrifice among the different economic classes.

The principle of ability to pay is completely set aside and grossly violated in a general sales tax. In fact, such a tax inverts the principle of ability to pay, since it imposes the heaviest burdens on those who have the lowest incomes. A sales tax upon the necessaries and the elementary comforts of life subtracts from every dollar of the poor man's income because all of his income is expended for these commodities. Only a very small portion of the rich man's income is thus disbursed. Consequently, the only just sales tax is one which is restricted to a few costly luxuries which are purchased by the comfortable and well-to-do classes. While the sales tax which was defeated in the House of Representatives exempted food and clothing, it still covered a sufficient number of necessaries to impose, according to some of its advocates, a burden of $8 upon the man receiving only $1,000 of annual income. That would mean between twenty and twenty-five dollars upon an income of $2,400. This is ethically indefensible. The minimum that is necessary for decent existence should be exempt from all taxation. This ethical truth is recognized in all our income tax laws. The Federal law has never taxed incomes of less than $2,500 in the case of married men, nor incomes of less than $1,000 in the case of single men.

During the consideration by the Senate of the income-tax provisions of the bill reported by the Senate Finance Committee an amendment was introduced which would have substituted for the committee surtaxes those of the 1918 law applying to incomes of $10,000 and over. While these rates were the highest that were ever placed in a Federal law, they were considerably below the levels that would be demanded by complete justice. For example, the entire amount in surtaxes and normal taxes levied upon certain specified incomes were as follows: $830 on $10,000, $4,930 on $30,000, $11,030 on $50,000, $35,030 on $100,000. The persons who think these levies exorbitant or unreasonable should reflect that the amounts which men are obliged to pay on the corresponding incomes in the existing British law are from 35 to 125 per cent higher. Nevertheless, the Senate rejected these relatively moderate rates by a large majority. Those who voted against these rates were no doubt well aware that the increased revenue which they refused to collect from large incomes would have to be derived from a sales tax or from the nuisance taxes proposed in the Finance Committee bill, such as those upon movie tickets costing more than 10 cents, telegrams, checks, and 3-cent letter postage. In other words, the majority of the Senate rejected the principle of ability to pay in favor of the opposite principle.

The second economic aspect of the crisis which we have to consider is methods of reducing unemployment and reviving business. Up to last December the Federal Government had done nothing or practically nothing under either of these heads. The measures enacted by Congress at the present session to facilitate and expand credit have been successful in so far as any realistic person could have expected them to succeed. That is to say, they have prevented many bank failures and many business bankruptcies and somewhat diminished public trepidation. Being purely negative, they could not and did not bring about any positive improvement.

The average level of business and employment is considerably lower now than when these credit measures were enacted. The national administration fondly and fatuously expected that they would create sufficient confidence in business circles to initiate a marked and continuous revival. A few weeks ago the Secretary of the Treasury referred to credit and confidence as "the two magicians" that would put an end to the depression. His use of this phrase exposed the capital sin of the national administration. It has relied upon the magic of "psychology" rather than upon realistic economics. And it has been widely imitated by men who ought to know better. "In the United States," says Mr. Keynes, "it is almost inconceivable what rubbish a public man has to utter to-day if he is to keep respectable."

This attitude is a part of our evil heritage of economic theory and business theory. For more than a hundred years we have assumed that if only we can keep goods produced in abundance they will somehow find purchasers; and that if the economic machine ceases to function the fault must lie in the mechanism of credit. Hence the preoccupation of business men and the national administration with credit machinery. Hence the President's emphasis upon "confidence."

All this is putting the cart before the horse. What business needs to-day is not more credit nor more confidence, but more business. Neither business men nor bankers deserve severe blame for their failure to increase the amount of commercial and industrial operations. They can not be expected to do this until they see a definite prospect of increased sales of goods. The reason that no such prospect appears is to be found in the decline of purchasing power. The money available for buying goods is now only little more than half as great as it was in the year 1929. Purchasing power began to decline in that year because the wage earners and the farmers had not been receiving a sufficient amount of the national product. Too much was distributed to the well-to-do and the rich classes, who refused to spend more for the products of our factories and farms because they had already bought all that they needed.

The unequal and inequitable distribution of the national product at length resulted in the condition that those who would like to spend more for consumption goods had not the money, while those who had the money had not the desire. These elementary facts indicate the main cause of the depression, of its increase, and of its prolongation. Defects in the credit structure have indeed intensified the slump, but they are themselves effects of the bad distribution of income and purchasing power. It should be obvious that no juggling with an effect can remove the cause.

Here again Catholic principles are pertinent and would have prevented the depression. In his Encyclical, Quadragesimo Anno, Pope Pius XI declared that in order to be just the distribution of income should provide the working class with "ample sufficiency." If American workingmen had received "ample sufficiency," as the Pope describes it, in the years 1922–1929, they would have obtained at least 50 per cent more wages. Undoubtedly they would have expended a great proportion of the increase for primary goods, consumption goods, the products of the factories and farms. Such a vast expansion of purchasing would have kept all our industries going and made the existing industrial depression impossible. To be sure, capital would probably have received smaller returns, but there is nothing in the nature of man nor in the nature of industry nor in the moral law which dictates that capital should get even 6 per cent. According to the Holy Father, capital is entitled only to that return which is consistent with the common good and social justice. If we ever emerge from the depression, we shall have to take steps to decrease the share of capital and increase that of labor. Otherwise consumption will again quickly fall below production. Unemployment will again increase and all the conditions will be at hand for another depression.

Now that the failure of the credit measures to produce a business revival has become so evident that it can not be denied by the slowest witted among us, many business men, politicians, and statesmen realize that the only effective remedy is the creation of purchasing power through the expenditure of public money for public works. Some of us saw this at least 18 months ago and we told the aforesaid business men and politicians and statesmen all about it, but ours were voices crying in a wilderness of bad economic theory, stupid business maxims, political propaganda and ballyhoo, manufactured optimism, indisposition to look facts in the face and superstitious reliance upon psychology, shibboleths, slogans, and the formula brought to us from France a few years ago by the now almost forgotten Professor Coué. Some of you can recall that faker's magic phrase. It has long since been discredited and discarded. But the catchword, "confidence," is still urged upon us. In the name of common sense and common honesty, confidence in what? Since October, 1929, the average of business activity has fallen 47 per cent; employment 40 per cent, and purchasing power 47 per cent. The decline in all these factors has been continuous since last June and there is not a single economic fact to indicate that we have reached the bottom.

Within the last few days programs of public works have been brought forward by the Democratic leadership in the Senate, by the President of the United States, and by the Speaker of the House of Representatives. All these are vitally defective in one respect: they are not sufficiently comprehensive. In order to give adequate momentum to an improvement in business and to provide employment within a reasonable time for a reasonable proportion of those now out of work, we need much more than one and a half or two billion dollars. The $5,500,000,000 proposed by Senator LA FOLLETTE would not be excessive in the present crit-

ical situation. Unless the public expenditure reaches this magnitude, I fear that the words of John Maynard Keynes will be applicable to our own beloved country. In the article already cited, he says:

"Through lack of foresight and constructive imagination the financial and political authorities of the world have lacked the courage or the conviction at each stage of the decline to apply the available remedies in sufficiently drastic doses, and by now they have allowed the collapse to reach a point where the whole system may have lost its resiliency and its capacity for a rebound."

The President's plan exhibits an additional defect, inasmuch as it would confine public works to those which are "productive," those which would bring in revenue, such as toll bridges and tunnels. This idea is another evil heritage. It comes down from the Puritan conception of work as a spiritual good and an end in itself, not merely a means to fuller and more rational life. It is the legitimate descendant of the Puritan theory that production and efficiency are the goal of the Christian's efforts. Speaking of the Puritan conception of work and production as it operated in England in the seventeenth and eighteenth centuries, R. H. Tawney declares that it supplanted the earlier doctrine that the end of economic life was consumption. (He is referring, of course, to the economic philosophy which prevailed in the Catholic Middle Ages.)

To apply to public works the test of "productiveness," "self-liquidation," and pecuniary profit, not only inverts the true order of values but ignores the very important economic fact that 80 per cent of our productive equipment could turn out all the material goods needed by the American people. Why should not the other 20 per cent be devoted to the production of public goods, of goods that might be enjoyed by all the people in common? They are not "unproductive." They produce human welfare, and that is the true end of all material production. They are not "of very remote usefulness"; they would be beneficial to the people from the moment of their completion. They would not produce pecuniary profits, but they would increase life, and, as John Ruskin said: "There is no wealth but life." Public highways, flood control, reforestation, the destruction of city slums, and many other so-called "nonproductive" works are capable of providing the community with the means of security, enjoyment, and decent living in far greater measure than additional supplies of factory products.

Most of the objections to an adequate program of public works are motivated by the ugly thing called greed, which, as the Holy Father has told us in his latest encyclical, is the main root of all the world's troubles to-day. The men who have large incomes are so greedy that they are unwilling to contemplate an increase in their taxes to provide interest on the bonds that would have to be sold to finance an adequate program of public works. The men who own existing issues of United States bonds are too greedy to put up with the decline which would take place in the value of their present holdings if the new bonds carried a higher rate of interest. Since greed is usually stupid and short-sighted, it prevents these men from perceiving that if an adequate program of public works were followed by a considerable revival of business they would gain far more from this improvement than they would lose through the payment of higher taxes or a decline in the value of their Government bonds. In 1928 an increase of 2 per cent in the rates of taxes on incomes above $10,000 would have yielded $250,000,000 of additional revenue. The possessors of such incomes will soon be called upon to pay many times 2 per cent more than they are now paying, even though we should have no public works and no revival of business. If the public works here advocated should fail to bring about a considerable upturn in business, the men who now receive large incomes would probably be in no worse position than that in which they are certain to find themselves a year from now if this program is not put into effect.

There is an objection to the public-works proposal which is not based upon greed. It asserts that five or six billion dollars' worth of bonds could not be sold. Perhaps not. But the only way to decide the question is to make the attempt. A few weeks ago an issue of more than half a billion United States Treasury notes, a part of which paid only 2 per cent interest, was oversubscribed ten times. There is still plenty of money in the country for such a program. If it is not put into operation this summer, there will be considerably less money when Congress reassembles next December. If the money can not be got through the sale of bonds, it could be produced by the Government printing presses. While this recourse would be attended with considerable danger, it would be a far less evil than another winter of unemployment complicated by revolution.

If an adequate public-works program can not be financed by either an issue of bonds or of paper money, there is nothing left but Government operation and control of such basic industries as are necessary to provide the destitute millions with the means of decent human existence. To shrink from this last alternative is to confess intellectual and economic bankruptcy. We can not permit millions to starve in this land of plenty, nor can we afford to unleash the forces of savagery and revolution. In the extreme predicament that is closer to us than we like to contemplate there is another Catholic principle which is pertinent and adequate. It was stated by Pope Leo XIII, in his encyclical on the Condition of Labor: "Whenever the general interest or any particular class suffers or is threatened with injury which in no other way can be met or prevented, it is the duty of public authority to intervene." If for any reason the public-works remedy fails, the public authorities will be under moral obligation to take temporary charge of and operate our essential industries, not only for the benefit of our most distressed classes but in the interest of the whole community.

REVENUE AND TAXATION

The Senate resumed the consideration of the bill (H. R. 10236) to provide revenue, equalize taxation, and for other purposes, the pending question being on the amendment proposed by Mr. SHIPSTEAD, which was, on page 244, after line 9, to insert:

(9) Copra, including products of copra of the Philippine Islands, hempseed, palm nuts, kapok seed, palm-nut kernels, tung nuts, rapeseed, perilla seed, sesame seed, rubber seed, 1 cent per pound. The tax on the articles described in this paragraph shall apply only with respect to the importation of such articles.

(10) Coconut oil, the product of the Philippine Islands and other countries, palm oil, perilla and sweet almond oil, tung oil, herring oil, pilchard oil, whale oil, seal oil, sperm oil, crude, 2 cents per pound. The tax on the articles described in this paragraph shall apply only with respect to the importation of such articles.

(11) Palm-kernel oil, sunflower oil, sesame oil, rapeseed oil, olive oil, all the foregoing if in inedible form, 2 cents per pound. The tax on the articles described in this paragraph shall apply only with respect to the importation of such articles.

Mr. HASTINGS. Mr. President, I desire to address myself for a few moments to the amendment offered to the pending bill by the Senator from Minnesota [Mr. SHIPSTEAD] affecting fish oil and vegetable oil.

I think I might say that perhaps no Member of this body tries to follow as carefully as I do the recommendations of the committees of the Senate. If I can conscientiously do that, I endeavor to do it. I think that ought to be particularly true with respect to a tax bill, where very many persons who are taxed are complaining of the tax; and those of us who are not on the committee realize the burdens resting upon the committee in endeavoring to find by taxation the necessary money to meet the deficit that exists and is likely to exist.

I have the same feeling with respect to this bill. I had it when I voted upon the four items that are commonly called tariff items in this bill. I think it is wholly unimportant at this time to discuss who is responsible for what are called tariff items being in this particular bill.

It is well known to all of us that when the bill came to the Senate it had two of those items in it, and it is also well known that the Finance Committee added two other items to the bill. We all know that in support of the measure and in support of the taxes on these particular items the two sides of this Chamber were equally divided, or practically so. Therefore, I am not concerned about placing the responsibility. I care not whether it belongs on this side or whether it belongs on the other side. From the very beginning I believed it was a mistake to place tariff items in the bill. I believed it was a mistake because, having once opened the door to what are called tariff items, it would be so very difficult to close that door.

The question I am faced with now is whether we shall let the committee close the door or whether I shall be justified in presenting to the Senate the claims of persons who are very much interested in this particular amendment.

I do not think it is worth while to discuss whether these tariff measures were placed in the bill for the sole purpose of raising revenue or whether they were placed there for the purpose of protecting the various industries. I think it may very well be admitted that for the most part they were put there for the purpose of protecting the industries. The people in my State and in other States who have appealed to me with respect to this particular item certainly are more interested in protection than they are in raising revenue.

It is, however, a fact that if this amendment is adopted it will go a long way toward increasing the revenue which is necessary to be raised by the bill that is now before the Senate.

When the people interested in this subject appeal to me it is not possible for me to say to them that the item was not included in the committee's recommendation, and therefore they can have no vote upon it in the Senate. I have hesitated, and I hesitate now, to urge it upon the Senate.

On the other hand, I find that on next to the last vote last night both sides of this aisle did not hesitate at all to turn aside from the recommendations of the committee, and to vote out an increase in the taxes upon automobile trucks and accessories.

I do not think the criticism of the President by the senior Senator from Maryland [Mr. TYDINGS] is justified. He complains that the President of the United States, if he wants this bill passed and wants the Budget balanced, should have seen to it that the tariff items were taken from the bill. He complains because the President sits in his chair at the White House and keeps silent with respect to the matter, when the Senator urges that a single word from the President would have kept out these items entirely and would have hastened the passage of the bill.

It is undoubtedly true that if the President had made a recommendation to Congress, if he had sent here a message urging that those things be kept out, he would have been criticized very much more severely for sending such a message and undertaking to interfere with the Congress than for saying nothing, as he did in this particular instance. So I pass that by as unworthy of any particular comment or any particular answer. We are discussing now this particular amendment and I want to call to the attention of the Senate just what it means.

If the amendment is adopted as presented by the Senator from Minnesota [Mr. SHIPSTEAD], it will mean, from last year's figures, the approximate sum of $25,000,000 in revenue to this Government. I frankly admit, however, that that is not the purpose I have. I have in mind the distressed condition of the fish-oil industry in this country of ours; and I call attention to the fact that it is not only my State that is affected. Many States in this Union are affected. All of the coastal States on both sides are affected.

The State of Maine has a number of plants, covering more than a page. There are plants in Massachusetts, Connecticut, New York, New Jersey, Pennsylvania, Delaware, Maryland, Virginia, North Carolina, South Carolina, Georgia, Florida, Alabama, Louisiana, Mississippi, Texas, Washington, Oregon, California, and Alaska. Every State that I have mentioned has more than one plant. Some of them have as many as 50 plants. The State of Maine, I think, has as many as 50 plants; and my understanding is that there has been invested in this industry a sum amounting to approximately $150,000,000.

I do not know, and the people who have talked with me on the subject say they do not know, of a single one of these plants that has been able to operate at all for the past two years, because of the oils that are being sent into this country from foreign countries, without the payment of any tax of any kind. I call the Senator's attention to the fact that some 1,500,000,000 pounds of various oils are sent into this country without the payment of any tax whatever.

As I have stated, the total tax—and it is a small rate, of 2 cents a pound—would, it is estimated, bring into the Federal Treasury some $25,000,000.

The industries to which I have referred employ some 35,000 men in the 300 plants, and for two years they have not been able to manufacture and sell their product at a profit at all because of the influx of the oil from all the countries of the world.

This condition affects not only the particular industry to which I am drawing attention, but the imposition of this tax is the same thing the farmers of this country have been asking the Congress to do for many years. In the consideration of every tariff bill that has been passed an effort has been made by the farmers of the country to have inserted in the measure a sufficient tax to protect the farmers who are constantly producing this oil. What has been the answer? It has been that if we put a tax upon this oil, we will increase the price of soap, in the manufacture of which this kind of oil is used. If Senators will look at the financial sheets of the large soap manufacturers of this country, who have done so much to prevent the imposition of a tariff duty being placed upon that product, they will find that they have not suffered as other industries of the country have suffered. It will be found, in addition to that, that the argument that has been made, that it was a crime to put a tax upon this article, and thereby put a tax upon the poor people who use for bath purposes the soap manufactured from these oils, is like the argument used by the manufacturers of bread. While the article they use in the manufacture of soap has decreased in price, not a dime has been taken off the cakes of soap they sell to the public. People are paying just as much for soap as they ever paid, and if this amendment shall be agreed to, they will not pay one cent more per 100 pounds than they are paying now.

Mr. President, I want to call attention to the fact that in the years 1912 to 1914 the soap manufacturers used 80 per cent of domestic oils. From 1919 to 1921 they used 68 per cent. From 1928 to 1930 they used 57 per cent and 43 per cent of foreign oil. So it can be seen that there is no chance for the persons manufacturing this oil, either from fish or in any of the various ways it is manufactured from foreign importations.

There is one difficulty in connection with the pending amendment which has been referred to by the senior Senator from Missouri [Mr. HAWES]. That is with respect to the Philippine Islands. The amount of these oils sent from the Philippine Islands to the United States is very large. Something like $11,000,000 would be the tax on the oils coming from those islands, so that if the Philippines shall be excluded, as the Senator from Missouri proposes, it would cut down the amount of revenue received from the tax on these oils to approximately $14,000,000 instead of $25,000,000. In pounds the amount sent here is 783,000,000, out of a total of 1,500,000,000 pounds.

So far as I am concerned, I do not care to get into a discussion as to whether or not it is necessary to exclude from the effect of this amendment the Philippine Islands. I assume it is, because the Senate has time and time again refused to put upon sugar produced in those islands the tariff necessary to protect the sugar industries of this country, and I am assuming, therefore, that it may be the sense of the Senate that the amendment which the Senator from Missouri I understand is about to offer, namely, to exclude the Philippine Islands from the operation of this amendment, may be adopted by the Senate. But even if that amendment shall be adopted I respectfully submit there is enough merit left in the Shipstead amendment, as there will be enough help to be afforded by it to do some good to the farmers and to revive this fishing industry. Therefore I hope the Senate may see its way clear to adopt the amendment as proposed by the Senator from Minnesota.

Mr. HOWELL obtained the floor.

Mr. HAWES. Mr. President, will the Senator from Nebraska yield to me to offer an amendment to the pending amendment?

Mr. HOWELL. I yield for that purpose.

Mr. HAWES. I offer an amendment in the nature of a substitute to the amendment proposed by the Senator from Minnesota [Mr. SHIPSTEAD].

Mr. BINGHAM. Let the amendment be reported, Mr. President.

The VICE PRESIDENT. The amendment will be read for the information of the Senate.

The CHIEF CLERK. On page 244, after line 9, the Senator from Missouri proposes to insert:

(9) Copra, hempseed, palm nuts, kapok seed, palm-nut kernels, tung nuts, rapeseed, perilla seed, sesame seed, rubber seed, 1 cent per pound. The tax on the articles described in this paragraph shall apply only with respect to the importation of such articles, but notwithstanding the provisions of paragraph (5) of subsection (b) of this section, shall not apply to importations from the Philippine Islands or other possessions of the United States.

(10) Coconut oil, palm oil, perilla and sweet almond oil, tung oil, herring oil, pilchard oil, whale oil, seal oil, sperm oil, crude, 2 cents per pound. The tax on the articles described in this paragraph shall apply only with respect to the importation of such articles, but notwithstanding the provisions of paragraph (5) of subsection (b) of this section, shall not apply to importations from the Philippine Islands or other possessions of the United States.

(11) Palm-kernel oil, sunflower oil, sesame oil, rapeseed oil, olive oil, all the foregoing if in inedible form, 2 cents per pound. The tax on the articles described in this paragraph shall apply only with respect to the importation of such articles, but notwithstand-

ing the provisions of paragraph (5) of subsection (b) of this section, shall not apply to importations from the Philippine Islands or other possessions of the United States.

PURPOSE OF AMENDMENT

Mr. HOWELL. Mr. President, the determination on the part of Congress to introduce tariff items in this revenue bill is evident. The House of Representatives has already approved tariff duties on petroleum, gasoline, lubricating oil, and coal. The Senate Finance Committee revised the list by accepting tariff duties on all these products, with some modifications, in addition adding tariffs on all other liquid-petroleum products; paraffin; asphalt; lumber, rough, planed, or dressed; copper; and rubber tires and tubes. The Senate thus far has approved duties on petroleum and petroleum products, gasoline, lubricating oil, lumber, copper, paraffin, asphalt, and coal.

All of these duties impose additional burdens upon the consumers, and especially upon agriculture. The farmers are large users of petroleum, gasoline, lubricating oil, rubber tires and other rubber products, and lumber of all kinds and will have to pay more for these products because these tariff duties will be passed on to the consumers, the largest group being composed of farmers.

Congress is inserting tariff duties in this revenue bill not primarily to obtain revenue, except in the case of tires and tubes, but to aid the oil industry, to aid the lumber industry, to aid the copper-mining industry, the asphalt industry. But what has it proposed to do for the farmers? If we are to put additional burdens on the farmers of this country to aid these industries, then agriculture—now lowest on the economic scale—must receive some aid.

The purpose of the amendment under consideration is twofold: First, to produce revenue; and, second, to remedy to some extent agriculture's inequality in tariff benefits.

It is estimated that this amendment offered by the Senator from Minnesota [Mr. SHIPSTEAD] would yield a total revenue of approximately $25,000,000 annually.

This tax will be more equitably distributed than the tariff duties already imposed, which will hit special groups particularly hard. The taxes on vegetable and animal oils, if paid by the great, affluent soap companies and other industrial users of these oils, will be less burdensome than the duties paid by farmers and laboring people. Even if passed on to the consumers of these industrial products, the costs will be distributed over such a wide range of products and the percentage of increased cost will be so small and will be distributed among such a large number of taxpayers, that this indirect tax will not be burdensome.

On the other hand the benefits of this proposed amendment will be diffused among millions of farmers and among thousands of workmen in oil mills which can resume operation in competition with mills using imported oils, whereas the tariffs on oils, copper, coal, and lumber will benefit mainly a comparatively small number of oil corporations, coal barons, mining companies, and lumber companies, together with the limited number of employees in these specialized industries.

Agriculture is not protected, in fact, as is industry protected under existing tariff rates. Congress ignored many of the recommendations of agriculture when it enacted the tariff act of 1930. One of the most important omissions was the failure to protect agriculture from the enormous flood of tropical oils and fats which enter our markets duty free and displace the use of American butter and American lard and American vegetable and animal oils which otherwise might be used for similar uses in place of the imported oils.

The pending amendment proposes to remedy this injustice and to levy moderate excise taxes on the imports of certain oils and fats which for the most part enter our markets free of duty. With the exception of fish and whale oils, which now carry very low rates of duty, all of the oils and fats and all of the oil-bearing materials in the pending amendment enter our markets free of duty.

The proposed amendment would place a tax of 1 cent on the following oil-bearing seeds and nuts which now enter free of duty: Copra, hempseed, palm nuts, kapok seed, palmnut kernels, tung nuts, rapeseed, perilla seed, sesame seed, and rubber seed.

A duty of 2 cents per pound would be placed on the following oils and fats: Coconut oil, product of the Philippine Islands; palm oil; perilla and sweet almond oil; tung oil; herring oil; pilchard oil; whale oil; seal oil; sperm oil, crude; and upon the following oils in inedible form: Palmkernel oil, sunflower oil, sesame oil, rapeseed oil, and olive oil.

We now import nearly 2,000,000,000 pounds of oils and fats, including oil from imported materials. In 1923 our exports practically equaled our imports, whereas in 1930 our exports had sharply declined and our imports had sharply increased, with the result that the imports exceeded exports by 932,905,000 pounds, or nearly 1,000,000,000 pounds. This is shown in a table appearing in the 1932 report of the Tariff Commission on certain vegetable oils.

I now ask unanimous consent to have inserted at this point in the RECORD the table referred to.

The VICE PRESIDENT. Is there objection?

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

TABLE I.—*Oils: Relation of imports to exports in the United States*

Year	Excluding oil from imported stock			Including oil from imported stock		
	Imports	Exports	Excess exports over imports	Imports	Exports	Excess imports over exports
	Pounds	*Pounds*	*Pounds*	*Pounds*	*Pounds*	*Pounds*
1923	727,629,000	1,372,938,000	+645,309,000	1,447,663,000	1,372,938,000	+74,725,000
1924	680,451,000	1,296,256,000	+615,805,000	1,231,357,000	1,296,256,000	−64,899,000
1925	824,338,000	1,028,319,000	+203,981,000	1,419,833,000	1,028,319,000	+391,514,000
1926	870,553,000	999,107,000	+128,554,000	1,629,999,000	999,107,000	+630,892,000
1927	920,620,000	1,005,952,000	+85,332,000	1,672,120,000	1,005,952,000	+666,168,000
1928	948,954,000	1,031,419,000	+82,465,000	1,658,725,000	1,031,419,000	+627,306,000
1929	1,261,783,000	1,079,195,000	−182,588,000	2,150,979,000	1,079,195,000	+1,071,784,000
1930	1,124,390,000	872,961,000	−251,429,000	1,805,866,000	872,961,000	+932,905,000

Source: For basic statistics, Foreign Commerce and Navigation of the United States, Department of Commerce. Report of Tariff Commission on Certain Vegetable Oils, 1932.

Mr. HOWELL. Mr. President, what does this mean to agriculture? It means that domestic oils produced from the products of American farms have been displaced to a large extent by the use of cheaper imported materials.

Since 1914 the use of domestic oils and fats in food has increased 31.1 per cent, while the use of foreign oils in food has increased 2,169 per cent. The use of domestic oils for soap making has increased about 41 per cent, while the use of foreign oils for soap making has increased 389 per cent. The total consumption of the principal domestic oils and fats for all uses has increased about 27 per cent, while the use of the principal foreign oils and fats for all uses has increased 2,862 per cent. These figures are shown in a table from the report of the Tariff Commission, 1932, which I request permission to have printed in the RECORD.

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

TABLE II.—*Consumption and exports of principal domestic and foreign animal and vegetable oils, not including butter, edible olive oil, paint oils, and other specialized oils, 1914 and 1929*

[In thousands of pounds]

	Domestic oils made from domestic materials			Five foreign oils covered by resolution	Total foreign soap and food oils [2]	All foreign and domestic oils	
	Lard (except neutral)	Other [1]	Total			Excluding lard	Including lard
Consumption in food:							
1914	1,152,197	1,533,860	2,686,057	5,280	12,645	1,546,505	2,698,702
1929	1,725,164	1,795,535	3,520,699	284,980	286,886	2,082,421	3,807,585
Increase or decrease	572,967	261,675	834,642	279,700	274,241	535,916	1,108,883
Per cent	49.7	17.1	31.1	5,297.3	2,168.8	34.7	41.1
Consumption in soap:							
1914	10,484	581,547	592,031	123,358	160,334	741,881	[3] 752,365
1929		832,402	832,402	673,871	783,900	1,616,302	[3] 1,616,302
Increase or decrease		250,855	240,371	550,513	623,566	874,421	863,937
Per cent		43.1	40.6	446.3	388.9	117.9	114.8
Total consumption: [4]							
1914	1,162,681	2,118,171	3,280,852	168,987	234,816	2,352,987	3,515,668
1929	1,725,164	2,833,871	4,559,035	1,067,779	1,191,484	4,025,355	5,750,519
Increase or decrease	562,483	715,700	1,278,183	898,792	956,668	1,672,368	2,234,851
Per cent	48.4	33.8	39.0	531.9	407.4	71.1	63.6
Exports:							
1914	438,016	350,971	788,987	997	1,071	352,042	790,058
1929	829,328	174,419	1,003,747	29,532	29,532	203,951	1,033,279
Increase or decrease	391,312	−176,552	214,760	28,535	28,406	−148,091	243,221
Per cent	89.3	−50.3	27.2	2,862.1	2,522.7	−42.1	30.8

[1] Including cottonseed, corn, peanut, soybean, oleo oil, neutral lard, edible and inedible tallow, greases, fish and whale oils.
[2] Including, in addition to the five oils mentioned in the resolution, inedible olive oil and foots, soybean, peanut oils, other animal oils, including fish.
[3] The difference between these totals and those shown in Table IV-3, p. 15, −66,308,000 pounds in 1914 and 75,488,000 pounds in 1929, is accounted for by soap stock, red oil, vegetable tallow, and miscellaneous oils, which are not included in this table.
[4] Exceeds food and soap consumption by quantities used in other industries.

Source: Report of Tariff Commission on Certain Vegetable Oils, 1932.

Mr. HOWELL. Mr. President, the dairy farmers have suffered from increased competition and displacement of butter by the enormous increase in production of margarine. A table—Table III—taken from the 1932 report of the Tariff Commission shows the enormous increase in the output of this industry in the United States, the total production increasing from 144,000,000 pounds in 1914 to 312,000,000 pounds in 1930, or about two and one-half times the production in 1914. Every pound of margarine displaces a pound of butter which otherwise might be utilized.

I desire to insert at this point in the RECORD another table.

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

The table is as follows:

TABLE III.—*Production of margarine in the United States by classes*

[In millions of pounds]

Calendar year	Total quantity	Vegetable-oil margarine		Animal-oil margarine	
		Quantity	Per cent of total	Quantity	Per cent of total
1914	144				
1916	203	2	1.0	201	99.0
1918	356	89	25.0	267	75.0
1919	371	143	38.4	228	61.6
1920	370	196	52.8	174	47.2
1921	212	102	47.8	110	52.2
1922	185	76	40.8	109	59.2
1924	229	101	44.2	128	55.8
1926	239	121	50.8	118	49.2
1928	308	196	63.7	112	36.3
1929	342	222	64.8	120	35.2
1930	312	216	69.3	96	30.7

Report of Tariff Commission on certain vegetable oils, 1932.

Mr. HOWELL. Production of lard substitutes has increased from 876,927,000 pounds in 1912 to 1,211,268,000 pounds in 1930, which is an increase of almost 50 per cent. At this point I ask consent to insert an additional table in the RECORD.

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

The table is as follows:

TABLE IV.—*Production and consumption of lard compounds in the United States*

[Report of Tariff Commission on certain vegetable oils, 1932]

[In thousands of pounds]

Calendar year	Production	Consumption
1912	876,927	
1914	1,136,522	
1919	1,350,000	

TABLE IV.—*Production and consumption of lard compounds in the United States*—Continued.

Calendar year	Production	Consumption
1921	811,095	
1923	750,522	747,899
1925	1,152,620	1,135,215
1927	1,178,995	1,166,413
1929	1,220,102	1,214,986
1930	1,211,268	

Mr. HOWELL. Every pound of lard substitute displaces a pound of lard, which otherwise might be used. The production of lard substitutes in 1929, totaling 1,220,102,000 pounds, exceeded our total exports of lard amounting to 829,328,000 pounds by approximately 400,000,000 pounds, or 50 per cent more than our exports of lard. In other words, if it were not for the competition of lard substitutes we would have a deficit of 400,000,000 pounds of lard instead of an exportable surplus of 800,000,000 pounds. Visualize what this would mean in increased price to the hog producers of the country who are now forced to take the world price for their lard, whereas if they were on a deficit basis the tariff of 3 cents per pound on lard would tend to become fully effective.

If it were not for the unprofitableness of the use of cottonseed oil and other vegetable oils in other industrial products by reason of the competition from imported oils, large quantities of these domestic vegetable oils could be used in those industries instead of using such large quantities in production of butter and lard substitutes to compete with butter and lard.

In the soap industry there has been a large replacement of domestic oils by foreign oils. In 1914 domestic oils constituted 79 per cent of all the oils consumed in soap in the United States, whereas in 1929 domestic oils constituted only 51 per cent of all the oils used in soap, due to the increased utilization of imported oils.

The use of imported coconut oil increased from 9.5 per cent of the total consumption of oil for soap in 1914 to 19.4 per cent in 1930. The use of imported palm oil increased from 1.2 per cent to 12.3 per cent. The use of imported whale oil increased from one-half of 1 per cent in 1914 to 3.3 per cent in 1930. The use of imported herring and sardine oil increased from virtually nothing in 1914 to 1.4 per cent in 1930.

In striking contrast with the increased utilization of imported oils for soap, the use of domestic cottonseed oil decreased from 14.6 per cent of the total oil consumption in

soap in 1914 to one-half of 1 per cent in 1930; domestic cottonseed foots from 13.2 per cent to 6.6 per cent; domestic tallow from 31.5 per cent to 27.8 per cent.

This is shown in tables from the 1932 report of the Tariff Commission, which I ask unanimous consent to insert in the RECORD at this point.

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

The tables are as follows:

TABLE V.—*Consumption in soap making of major classes of domestic and foreign oils* [1]

[Report of the U. S. Tariff Commission on certain vegetable oils, 1932]

Calendar year	Made from domestic materials				Made from foreign materials		
	Vegetable oils	Animal oils and fats, except marine	Whale and fish oils	Miscellaneous	Vegetable oils	Animal oils and fats, except marine	Whale and fish oils
	In 1,000 pounds						
1912	256,261	316,835	1,103	27,414	114,301	15,510	9,927
1914	263,763	351,690	11,853	31,033	131,956	24,355	4,023
1916	345,615	436,922	4,726	40,464	200,275	22,667	8,126
1917	292,429	410,036	7,576	56,613	342,124	87,170	5,732
1919	198,407	338,696	8,712	41,111	269,787	45,967	4,843
1921	159,445	498,653	35,179	24,048	246,761	24,041	2,434
1922	114,507	580,550	41,863	19,169	292,818	21,832	48,642
1923	100,775	554,326	36,127	22,334	414,047	30,823	37,142
1924	112,214	714,564	33,764	20,000	386,412	20,440	34,017
1925	140,824	630,427	46,074	20,000	508,194	16,828	52,866
1926	153,727	652,663	42,886	20,000	512,002	35,647	68,787
1927	194,011	726,741	40,507	20,000	534,851	15,000	95,042
1928	168,866	684,897	52,814	20,000	586,180	32,500	89,406
1929	162,716	670,271	49,527	20,000	679,696	25,000	84,580
1930	146,775	678,554	41,160	15,000	585,542	20,000	72,669
	In percentages of total consumption of oil in soap making						
1912	34.6	42.7	0.2	3.7	15.4	2.1	1.3
1914	32.2	43.0	1.4	3.8	16.1	3.0	.5
1916	32.6	41.3	.5	3.8	18.9	2.1	.8
1917	24.3	34.1	.6	4.7	28.5	7.3	.5
1919	21.9	37.3	1.0	4.5	29.7	5.1	.5
1921	16.1	50.3	3.6	2.4	24.9	2.4	.3
1922	10.2	51.9	3.7	1.7	26.2	2.0	4.3
1923	8.4	46.4	3.0	1.9	34.6	2.6	3.1
1924	8.5	54.1	2.6	1.5	29.2	1.5	2.6
1925	10.0	44.6	3.2	1.4	35.9	1.2	3.7
1926	10.4	43.9	2.9	1.3	34.5	2.4	4.6
1927	11.9	44.7	2.5	1.2	32.9	.9	5.9
1928	10.3	41.9	3.2	1.2	35.9	2.0	5.5
1929	9.6	39.6	2.9	1.2	40.2	1.5	5.0
1930	9.4	43.5	2.6	1.0	37.5	1.3	4.7

[1] Government figures 1912-1919; 1921-1923 estimated from data furnished by the trade to the Tariff Commission; 1924-1930 estimated from trade sources based on Government data.

TABLE VI.—*Consumption in soap making of vegetable oils, imported or from imported materials* [1]

Calendar year	Coconut oil	Palm oil	Palm-kernel oil	Olive oil, foots	Olive oil, inedible	Soybean oil	Miscellaneous oils
	In 1,000 pounds						
							Peanut oil
1912	78,816	7,546	20,579	5,457	690	1,182	31
1914	77,959	10,000	31,376	7,298	748	4,499	76
1916	111,084	14,938	5,804	9,411	1,184	57,373	4,811
1917	168,602	27,345	4,762	10,500	1,731	124,058	5,126
1919	182,613	17,268	4,551	3,964	935	58,401	2,055
1921	194,417	24,386	593	15,842	767	10,756	----------
1922	237,702	30,389	685	20,688	1,047	2,307	----------
							Vegetable tallow
1923	267,982	102,323	3,287	27,324	1,317	3,266	8,548
1924	260,000	82,250	4,440	24,785	7,239	2,500	5,198
1925	286,000	119,400	45,037	38,197	10,886	2,250	6,424
1926	270,206	100,960	83,653	42,981	9,225	2,500	2,477
1927	334,765	112,460	31,248	41,372	6,818	2,500	5,688
1928	335,417	142,363	50,578	39,621	8,439	2,500	7,262
1929	[2] 344,205	192,331	72,920	43,417	10,212	6,400	10,211
1930	303,271	191,956	29,431	43,013	6,829	5,000	6,042

[1] Government figures 1912-1919; 1921-1923 estimated from data furnished by the trade to the Tariff Commission; 1924-1930 estimates based on Government data.

[2] Census of factory consumption of animal and vegetable oils in 1929 shows 393,914,000 pounds of coconut oil used in the soap industry; 178,851,000 pounds of palm oil; 44,532,000 pounds of palm-kernel oil; 38,448,000 pounds of olive-oil foots; 2,375,000 pounds of inedible olive oil.

TABLE VI.—*Consumption in soap making of vegetable oils, imported or from imported materials*—Continued

Calendar year	Coconut oil	Palm oil	Palm-kernel oil	Olive oil, foots	Olive oil, inedible	Soybean oil	Miscellaneous oils
	In percentages of total consumption of oils and fats in soap manufacture						
							Peanut oil
1912	10.6	1.0	2.8	0.7	0.1	0.2	----------
1914	9.5	1.2	3.8	.9	.1	.6	----------
1916	10.5	1.4	.6	.9	.1	5.4	----------
1917	14.0	2.3	.4	.9	.1	10.3	0.4
1919	20.1	1.9	.5	.4	.1	6.4	.2
1921	19.6	2.5	.1	1.6	.1	1.1	----------
1922	21.2	2.7	.1	1.9	.1	.2	----------
							Vegetable tallow
1923	22.4	8.6	.3	2.3	.1	.3	0.7
1924	19.7	6.2	.3	1.9	.6	.2	.4
1925	20.2	8.4	3.2	2.7	.8	.2	.4
1926	18.2	6.8	5.6	2.9	.6	.2	.2
1927	20.6	6.9	1.9	2.5	.4	.2	.4
1928	20.5	8.7	3.1	2.4	.5	.2	.5
1929 [3]	20.3	11.4	4.3	2.6	.6	.4	.6
1930	19.4	12.3	1.9	2.8	.4	.3	.4

[3] Based on census of factory consumption referred to in the preceding note, the percentages for this year would be as follows: Coconut oil 24.3, palm oil 11, palm-kernel oil 2.8, olive-oil foots 2.3, inedible olive oil 0.1. This report did not distinguish foreign and domestic soybean oil and miscellaneous oils.

(Report of Tariff Commission on Certain Vegetable Oils, 1932.)

TABLE IV-6.—*Consumption in soap making of specified domestic vegetable oils* [1]

[In 1,000 pounds]

Calendar year	Cottonseed oil		Cottonseed-oil foots		Corn oil	Peanut oil	Miscellaneous soap stock
	Quantity	Per cent total oil consumption in soaps	Quantity	Per cent total oil consumption in soaps			
1912	132,312	17.8	89,127	12.0	9,822	----------	25,000
1914	119,254	14.6	108,141	13.2	11,368	----------	25,000
1916	194,916	18.4	112,178	10.6	12,821	700	25,000
1917	126,390	10.5	115,042	9.6	15,997	10,000	25,000
1919	56,130	6.2	108,389	11.9	2,235	1,000	30,653
1921	47,935	4.8	76,018	7.7	2,405	10,983	22,104
1922	19,759	1.8	61,966	5.5	4,941	6,711	21,130
1923	10,824	.9	52,676	4.4	5,617	6,900	24,753
1924	10,000	.8	77,214	5.8	5,000	5,000	15,000
1925	8,000	.6	109,824	7.8	5,000	----------	18,000
1926	5,000	.3	118,727	8.0	5,000	3,000	22,000
1927	7,500	.5	147,511	9.0	5,000	2,000	32,000
1928	20,000	1.2	105,206	6.4	5,000	3,000	35,660
1929	12,000	.7	108,904	6.4	5,000	1,700	35,112
1930	7,500	.5	103,360	6.6	4,000	1,500	30,415

[1] Government figures 1912-1919; 1921-1923 estimated from data furnished by the trade to the Tariff Commission; 1924-1930 estimates based on Government data.

Report of the Tariff Commission on certain vegetable oils, 1932.

Mr. HOWELL. Mr. President, here is an opportunity to do something for the farmer. Here is an opportunity to insert in the tax bill an amendment which is wholly germane because it provides for the raising of revenue. If the amendment should be adopted, it would mean an additional $25,000,000 of revenue raised annually. Therefore, as I said, the amendment is germane, whereas the other tariff amendments were not germane because they are not for the purpose of raising revenue and will raise but little revenue. Their purpose is to aid the industries affected, whereas we want to aid the agricultural industry. Yet, Mr. President, this is an appreciable increase of revenue under the tax bill, and it is for that reason I say it is germane. It is now proposed that we eliminate importations from the Philippine Islands. If that is done, vast amounts of coconut oil will come in free in competition with the American products of this character. We certainly ought to give some consideration to agriculture. Here is an opportunity, and we should not split hairs.

Mr. President, agriculture must be rescued!

Mr. SHEPPARD. Mr. President, when the tariff act of 1930 was under consideration in the Senate I sought duties which, in my judgment, would have guarded our farmers from the disastrous competition of tremendous importations of vegetable, animal, and marine oils and fats. The

farmers, through their organizations, pleaded with Congress for such duties. Adequate tariff treatment, however, was not accorded by Congress.

During 1929 the imports of duty-free oils and fats, including raw material in terms of oil, totaled over one and one-quarter billion pounds. The tariff act of 1930 gave the farmers but little substantial protection against this volume of free imports. As a result, during 1930 a total of 1,302,702,000 pounds was imported duty free into the United States, or a somewhat larger amount than in 1929.

Will anyone say that agriculture is sufficiently protected against the competition of tropical oils and fats when a total of 1,302,702,000 pounds are imported free of duty, compared to 511,005,000 pounds dutiable? Many of the oils and fats in the dutiable list carry duties wholly inadequate to allow domestic oils and fats to compete successfully with them in our own markets.

I offer for the RECORD a table which I have marked "Table No. 1" showing the increase in duty-free imports of oils and fats during the past few years. I ask that all the tables to be inserted at my request may be printed in the order mentioned at the conclusion of my address.

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

(See Table No. 1.)

Mr. SHEPPARD. The proposed amendment places an excise tax primarily for revenue purposes upon all of the oils and fats which now enter free of duty, and all of the oil-bearing seeds and nuts which now enter free of duty. All of the materials taxed under this amendment enter free of duty except fish oil and whale oil, which are dutiable under the tariff act of 1930 at 5 cents per gallon and 6 cents per gallon, respectively, or approximately two-thirds of 1 cent per pound, and four-fifths of 1 cent per pound, respectively.

These taxes would not only bring in a substantial amount of revenue but would help our farmers to compete with imported products in their own markets.

Permit me to indicate how some of our farmers have been injured by the increased utilization of these foreign oils and fats at the expense of domestic oils and fats. In 1914 cottonseed oil, for example, constituted 63 per cent of the total consumption of all domestic oils, except lard, butter, and edible olive oil, but in 1929 cottonseed oil constituted only 36.6 per cent of the total domestic consumption of these oils. Cottonseed foots constituted 4.6 per cent of the total consumption of these oils in 1914, and only 2.7 per cent in 1929, whereas during the same period the use of imported coconut and palm-kernel oil increased from 4.9 per cent of the total consumption to 18.6 per cent, the use of imported palm oil from 2.1 per cent to 5.7 per cent, the use of imported whale oil from two-tenths of 1 per cent to 1½ per cent.

I ask to insert in the RECORD a table which I have marked "Table No. II," showing these comparative figures.

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

(See Table No. II.)

Mr. SHEPPARD. Note what has happened in the margarine industry. In 1914 crude coconut oil was selling at 12.2 cents per pound on the Pacific coast, and cottonseed oil at 6.6 cents per pound at New York, coconut oil representing only three-tenths of 1 per cent of the total oil consumption in margarine, cottonseed oil representing 20 per cent. In 1931 coconut oil was selling for 4.5 cents per pound, cottonseed oil for 7.2 cents per pound, coconut oil supplying 66.8 per cent of the total oil consumption in margarine, while cottonseed oil supplied but 9.4 per cent. This shows the extent of the displacement of domestic cottonseed oil by imported coconut oil in the manufacture of margarine.

In this connection I wish to insert in the RECORD another table which I have marked "Table No. III."

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

(See Table No. III.)

Mr. SHEPPARD. This table shows that the rapid displacement of domestic cottonseed oil by imported coconut oil has been closely accompanied by the reduction of price in coconut oil to such extent that the latter has undersold domestic cottonseed oil in our own markets.

In the soap industry, the proportion of cottonseed oil has greatly declined while that of imported oils has greatly increased during the period from 1914 to 1931. In 1914, coconut oil was selling at 12.2 cents per pound, and cottonseed oil at 6.6 cents per pound, cottonseed oil representing 14.6 per cent of the total domestic consumption of oils in soap, whereas coconut and palm-kernel oils represented 13.4 per cent. In 1930, when coconut oil was selling for 5.9 cents per pound and cottonseed oil for 8.1 cents per pound, cottonseed oil amounted to only one-half of 1 per cent of the domestic consumption of oils in soap making, whereas coconut and palm-kernel oils, both of them articles of foreign production, represented 21.3 per cent.

With the permission of the Senate, Mr. President, I desire to insert another table which I have marked "Table IV." It shows a close connection between the comparative prices of domestic cottonseed oil and imported coconut oil, with the relative use of these oils in soap making during the period from 1914 to 1931.

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

(See Table No. IV.)

Mr. SHEPPARD. Mr. President, while there are particular types of soap to which coconut oil and palm-kernel oil are better suited than domestic oils by themselves, this can not be said by any means of all soaps, and only applies to a few types of soap. Moreover, the Tariff Commission reports that even for the types of soap in which coconut oil and palm-kernel oil are used extensively, the amount of coconut oil and palm-kernel oil can be increased or decreased considerably without changing appreciably the character of the soap.

The Tariff Commission further reports that soap manufacturers some years ago deliberately inaugurated an advertising campaign to promote the use of white soap as against yellow soap, and by means of these advertising campaigns helped to create a feeling in favor of white soaps, although colored soaps are just as efficient in their cleansing properties. In the manufacture of white soaps, coconut oil and palm-kernel oil are extensively used. In the manufacture of yellow soaps, cottonseed oil, foots, inedible tallow, domestic rosin, and other domestic materials are used.

I desire to refer to another table, being Table V, Mr. President, which I should like to insert in the RECORD at the close of my remarks.

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

(See Table V.)

Mr. SHEPPARD. Mr. President, Table V shows that approximately 272,987,000 pounds of rosin might have been used in 1929 for the manufacture of soap if the use of rosin had increased to the same extent as the use of soap oils increased. Imported oils and fats are also used extensively in colored soaps. The soap manufacturers not only have displaced domestic oils in the manufacture of colored soaps to a large extent, but they have further displaced domestic oils by promoting through high-pressure sales methods and advertising campaigns the use of white soaps, in which large amounts of imported coconut oil and palm-kernel oil are used.

The soap interests have placed an exaggerated emphasis upon the alleged value of certain imported oils for soap uses. Even if imported oils were better ingredients than domestic oils for all types of soap, we would still be confronted with the displacement of domestic oils and fats in the manufacture of margarine and lard substitutes, as well as the displacement of domestic butter, as was pointed out by the Senator from Minnesota [Mr. SHIPSTEAD] yesterday. There can be no question but that cottonseed oil, tallow, and other domestic materials are just as good as the imported oils and fats in making margarine and lard compounds. There can be no question as to the displacement of domestic butter in substantial and growing degree by the importation of foreign oils and fats for margarine manufacture.

Mr. SHIPSTEAD. Mr. President——

The VICE PRESIDENT. Does the Senator from Texas yield to the Senator from Minnesota?

Mr. SHEPPARD. I yield.

Mr. SHIPSTEAD. It is also a fact that soap manufacturers are charging as much for soap now with the raw materials at 3½ cents a pound as they charged when the raw materials were 17 cents a pound.

Mr. SHEPPARD. I welcome that statement from the Senator.

The proposed amendment will not end the importation of foreign oils and fats. The soap manufacturers can still secure the oils and fats which they consider suitable to their particular formulas. The difference will be that these foreign oils and fats now entering our markets free of duty will have to pay a very modest contribution to the support of our Government instead of using our markets and paying nothing to the Government for the privilege. At the same time, the passage of the amendment will stimulate the use of domestic products with undoubted benefit to American agriculture.

Mr. President, the most important fact in connection with any industry is the condition of the workers engaged in its operation. Far above inanimate commodities, such as lumber, coal, copper, and oil, in true value and significance are the men, the women, and the children dependent on the production of such commodities for their livelihood. The masses of the American people find sustenance and occupation almost wholly as hand toilers in the various industries of the United States. Probably not more than 15 per cent of the American people may be found outside the ranks of manual toilers. These hand workers are the principal pillars of our civilization. It is vital to them and to the country that the industries affording them subsistence and employment be preserved.

The disappearance or the impairment of one industry with the purchasing power it establishes to sustain markets for the production of other industries would weaken our entire economic structure. Strike down the earning and producing power and therefore the purchasing power of the working masses in oil, in copper, in coal, in lumber, in farming, and they will not only undergo unspeakable hardship and privation themselves but they will have nothing with which to buy the products of the remainder of the laboring multitudes. It is no remedy for the poverty and distress of the producing masses to permit floods of foreign articles, made by impoverished labor, continuously to pour into this country and break down the already inadequate prices the home workers are now receiving.

It has been said, Mr. President, during the course of this debate, that we should buy wherever we can buy cheapest, not only here but throughout the world. Everything produced in the United States can be produced somewhere on the globe outside our own limits at a lower price than is possible here. Suppose we buy everything abroad, thus causing domestic production to cease. When, in pursuing such a course, we exhaust existing funds, credits, and surpluses, how will the American people obtain further funds, credits, and commodities to exchange for the necessities of existence even at the low prices of low-standard foreign regions? With our producing power destroyed, where will we obtain the purchasing power to make possible the continuance of our existence and our civilization? Not only will there be nothing to exchange for foreign articles on which a policy of buying wherever we can buy the cheapest will have made us dependent but there will be nothing with which to support Government itself or the institutions and facilities essential to our civilization and our progress.

If the support of measures intended to relieve the stricken workers in coal and lumber and copper and oil while extending such support to measures for workers in all other lines wherever needed, including agriculture, makes one a member of an unholy combination, as some Senators so mistakenly have charged in the course of this debate, I welcome that designation as a badge of honor and a mark of merit.

The present Congress has been compelled to devote itself mainly to relief measures, due to the fact that the American masses are suffering from the severest economic distress they have as yet experienced, and many Senators are opposed to the relief measures which have been inserted in the pending bill on the theory that they are willing to save America but are unwilling to save it in the wrong bill. I am supporting all these measures in the hope that the working multitudes in every industry and occupation will have been reached by every aid at the command of government before this session of Congress ends. The tariff amendments proposed in connection with this bill comprise a part, as I see the situation, of a general relief program.

We have enacted immigration laws because we desire to protect the producing masses of America from the cheap labor of the world, and yet we are still admitting the products of that labor without any restrictions whatever, so far as many basic industries are concerned, to beat down the economic conditions and the purchasing power of the American workers engaged in such industries.

The Democratic House of Representatives has opened the way for aid to certain essential industries in the present bill by sending us a revenue measure with tariff rates on foreign articles competing with these industries which provide relief as well as revenue. It might be well to say here that almost every tariff bill in our history has combined revenue with its other objectives.

Mr. SHORTRIDGE. Mr. President——

The VICE PRESIDENT. Does the Senator from Texas yield to the Senator from California?

Mr. SHEPPARD. I yield.

Mr. SHORTRIDGE. Addressing myself to the Senator from Texas, let me say that I did not have the benefit of listening to all his address, but I take it that his reasoning justifies adequate protection on, for example, long-staple cotton, almonds, citrus fruits, casein, and poultry and dairy products, all of which, unless adequately protected, will come into fatal competition with the like products shipped into this country from countries where cheap pauper labor prevails.

Mr. SHEPPARD. Wherever that condition applies undoubtedly there should be adequate relief. In my view, the proper theory of the tariff is to consider each article on its own merits and apply such tariff treatment as legitimate conditions demand. That, however, is an entirely different proposition from saying that one is in favor of exorbitant tariffs or corrupt tariffs, or anything bearing the name of tariff.

Mr. SHORTRIDGE. But they should be adequate to measure the differential between the cost of producing the article here and the cost of producing it in some cheap-labor country.

Mr. SHEPPARD. Undoubtedly.

TABLE I.—*Animal and vegetable oils, dutiable and free, including raw material in terms of oil: Imports for consumption in the United States*

	1923	1924	1925	1926	1927	1928	1929	Jan. 1 to June 17, 1930	June 18 to Dec. 31, 1930	Total, January to December, 1930
Dutiable:	*Pounds*	*Pounds*	*Pounds*	*Pounds*	*Pounds*	*Pounds*	*Pounds*	*Pounds*	*Pounds*	*Pounds*
Flaxseed (in terms of linseed oil)	456, 474, 000	311, 210, 000	309, 722, 000	418, 655, 000	412, 877, 000	329, 775, 000	447, 383, 000	203, 717, 000	33, 830, 000	237, 547, 000
Olive oil, edible	73, 568, 000	76, 900, 000	87, 683, 000	80, 760, 000	71, 848, 000	83, 394, 000	92, 050, 000	53, 330, 000	38, 687, 000	92, 017, 000
Whale oil, n. s. p. f.	28, 853, 000	37, 528, 000	53, 558, 000	39, 247, 000	53, 130, 000	48, 427, 000	56, 550, 000	29, 516, 000	23, 186, 000	52, 702, 000

TABLE I.—*Animal and vegetable oils, dutiable and free, including raw material in terms of oil: Imports for consumption in the United States*—Continued

	1923	1924	1925	1926	1927	1928	1929	Jan. 1 to June 17, 1930	June 18 to Dec. 31, 1930	Total, January to December, 1930
Dutiable—Continued.	*Pounds*	*Pounds*	*Pounds*	*Pounds*	*Pounds*	*Pounds*	*Pounds*	*Pounds*	*Pounds*	*Pounds*
Castor bean (in terms of castor oil)	37,186,000	35,691,000	45,037,000	42,334,000	51,501,000	58,988,000	73,665,000	16,505,000	26,735,000	43,241,000
Castor oil	1,019,000	293,000	330,000	450,000	19,000	1,033,000	135,000	15,000	30,000	45,000
Menhaden, herring, and cod oil	4,324,000	4,511,000	4,253,000	14,571,000	39,216,000	375,000	34,713,000	21,916,000	7,067,000	28,983,000
Rapeseed oil	15,932,000	17,363,000	12,675,000	20,767,000	19,222,000	876,000	18,801,000	7,190,000	2,475,000	9,665,000
Soybean oil	33,222,000	11,210,000	15,905,000	26,370,000	11,515,000	12,587,000	16,317,000	7,227,000	3,387,000	10,614,000
Palm-kernel oil									9,867,000	9,867,000
Wool grease	9,431,000	12,744,000	9,967,000	11,797,000	10,927,000	10,669,000	10,550,000	5,977,000	1,936,000	7,913,000
Seal oil	3,806,000	3,630,000	2,738,000	4,881,000	4,719,000	1,461,000	4,731,000	2,206,000	1,146,000	3,352,000
Sperm oil	960,000	529,000	1,937,000	1,030,000	1,995,000	3,315,000	2,600,000	1,352,000	1,657,000	3,009,000
Linseed oil, raw, boiled or oxidized	42,729,000	13,577,000	13,906,000	9,610,000	6,360,000	173,000	9,135,000	2,500,000	72,000	2,572,000
Butter	20,810,000	19,279,000	6,361,000	6,727,000	8,456,000	4,335,000	2,586,000	1,906,000	544,000	2,450,000
Fish oil, n. s. p. f.	1,052,000	1,122,000	943,000	816,000	697,000	2,371,000	3,493,000	1,502,000	549,000	2,051,000
Peanut oil	4,876,000	5,076,000	2,540,000	5,930,000	2,809,000	2,219,000	1,906,000	850,000	978,000	1,828,000
Oleo stearin	216,000	1,009,000	891,000	1,960,000	2,064,000	1,622,000	1,737,000	83,000	1,283,000	1,366,000
Animal tallow	10,823,000	2,440,000	1,771,000	13,647,000	12,908,000	13,482,000	16,468,000	400,000	190,000	590,000
Expressed and extracted oils, n. s. p. f.	170,000	267,000	112,000	2,441,000	1,641,000	1,092,000	3,344,000	46,000	854,000	900,000
Sesame oil, edible									88,000	88,000
Oleo oil	6,000			(1)	817,000	624,000	188,000	33,000	41,000	74,000
Animal oils, fats, and greases, n. s. p. f., inedible	223,000	136,000	216,000	225,000	145,000	262,000	229,000	53,000		53,000
Coconut oil (not from Philippine Islands)	1,209,000	135,000	453,000	327,000	38,000	60,000	43,000	29,000	3,000	32,000
Poppy-seed oil, raw, boiled, or oxidized	16,000	19,000	64,000	176,000	42,000	45,000	39,000	14,000	14,000	28,000
Cottonseed (in terms of cottonseed oil)	10,314,000	14,258,000	9,575,000	8,843,000	1,640,000	157,000	25,000	13,000	5,000	18,000
Cottonseed oil	25,000			6,679,000	(1)	1,000	2,000			
Total	757,244,000	568,927,000	581,137,000	718,237,000	714,586,000	631,343,000	796,690,000	356,380,000	154,624,000	511,005,000
Free:										
Copra (in terms of coconut oil)	209,780,000	183,371,000	229,368,000	288,287,000	284,127,000	316,254,000	359,687,000	155,865,000	219,198,000	375,063,000
Coconut oil (from Philippine Islands)	180,700,000	224,635,000	232,499,000	245,129,000	293,370,000	290,637,000	411,936,000	167,707,000	150,213,000	317,920,000
Palm oil	128,495,000	101,780,000	139,179,000	130,747,000	159,911,000	169,228,000	261,816,000	101,030,000	186,462,000	287,492,000
Chinese wood oil, nut oil, tung oil, or oil of nuts	87,293,000	81,582,000	101,555,000	83,004,000	89,650,000	109,322,000	119,678,000	62,741,000	63,777,000	126,518,000
Olive oil, inedible	42,565,000	33,024,000	52,431,000	50,703,000	50,131,000	49,358,000	57,386,000	40,923,000	30,952,000	71,875,000
Palm-kernel oil	2,566,000	4,739,000	52,624,000	74,980,000	43,128,000	53,812,000	69,909,000	17,052,000	12,052,000	29,104,000
Perilla and sesame (in terms of sesame oil)	6,279,000	6,378,000	1,794,000	1,325,000	1,356,000	4,598,000	8,436,000	6,463,000	19,143,000	25,607,000
Sesame oil	8,702,000	7,843,000	4,295,000	8,862,000	1,704,000	6,264,000	21,585,000	10,669,000	25,000	10,695,000
Perilla oil	6,441,000	3,016,000	6,017,000	7,401,000	5,358,000	2,011,000	5,574,000	7,460,000	1,378,000	8,838,000
Cod-liver oil	3,983,000	6,983,000	9,150,000	14,411,000	17,815,000	19,289,000	21,455,000	12,059,000	9,653,000	21,712,000
Cod oil	13,392,000	14,367,000	13,163,000	18,192,000	15,857,000	11,769,000	15,681,000	7,622,000	7,760,000	15,382,000
Vegetable tallow	8,548,000	5,197,000	6,424,000	3,779,000	5,688,000	5,326,000	11,530,000	5,516,000	1,606,000	7,122,000
Almond oil, sweet	59,000	70,000	74,000	81,000	66,000	86,000	77,000	43,000	34,000	77,000
Croton oil	2,000	17,000	1,000		2,000	1,000	1,000	1,000	1,000	2,000
Rapeseed oil									5,295,000	5,295,000
Total	698,805,000	673,002,000	848,574,000	926,902,000	968,163,000	1,037,955,000	1,364,751,000	595,151,000	707,550,000	1,302,702,000

Source: Foreign Commerce and Navigation of the Department of Commerce. Report of Tariff Commission on certain vegetable oils, 1932.

[1] Less than 1,000 pounds.

TABLE II.—*Percentage of consumption of domestic and foreign food and soap oils, 1914 and 1929*

[From Table 1-7, pp. 1-20, Report to the Congress on copra, and coconut, palm-kernel palm, sesame, perilla, rapeseed, and whale oils, U. S. Tariff Commission, March, 1932.]

Item	Percentage of total consumption, excluding lard, butter, and edible olive oil		Percentage of total consumption, including lard, butter, and edible olive oil	
	1914	1929	1914	1929
Butter			31.5	27.1
Lard			22.3	21.5
Domestic oils:				
Cottonseed	63.0	36.6	28.5	18.4
Cottonseed foots	4.6	2.7	2.1	1.4
Oleo oil, neutral lard, edible tallow	4.5	4.3	2.0	2.1
Inedible tallow and greases	14.1	20.8	6.4	10.5
Fish	.5	1.6	.2	.8
Whale		.3		.1
Corn	3.2	3.4	1.5	1.7
Peanut		.4		.2
Soybean	.1	.3	.1	.1
Total domestic	90.0	70.4	94.6	83.9
Foreign oils:				
Coconut and palm kernel	4.9	18.6	2.2	9.3
Palm	2.1	5.7	.9	2.9
Whale	.2	1.5	.1	.8
Sesame		.8		.4
Other animal and fish	1.2	1.6	.5	.8
Inedible olive and foots	.8	1.3	.4	.7
Edible olive			1.0	1.1
Soybean	.5	.2	.2	.1
Peanut	.3		.1	
Total foreign	10.0	29.6	5.4	16.1

TABLE III.—*Comparison of prices and consumption of coconut oil and cottonseed oil in margarine*

Year	Prices in cents per pound [2]		Per cent of oil consumption in margarine [3] supplied by—	
	Coconut oil, crude (in tanks), Pacific coast	Cottonseed oil, prime, summer, yellow (in tanks), New York	Coconut oil	Cottonseed oil
1913	12.0	7.3		
1914	12.2	6.6	0.3	20.0
1915	12.3	6.8		
1916	15.1	10.6	.3	30.1
1917	17.1	15.4	7.9	25.6
1918	18.1	20.1	22.6	13.4
1919	17.4	24.1	23.3	12.7
1920	17.4	15.4	26.5	13.0
1921	10.1	7.9	43.8	7.9
1922	8.4	10.1	35.3	9.5
1923	8.2	11.3	37.0	10.6
1924	8.6	10.8	41.0	10.2
1925	9.8	10.8	43.2	11.4
1926	9.4	11.8	46.4	12.1
1927	8.2	9.7	49.2	10.7
1928	8.0	9.9	56.3	9.9
1929	7.1	9.7	59.9	9.8
1930	5.9	8.1	62.7	10.2
1931	[4] 4.5	[4] 7.2	66.8	9.4

[1] Prices, calendar years; consumption, fiscal years.
[2] Bureau of Labor Statistics, Wholesale Prices.
[3] Calculated from data given in margarine on section.
[4] Average for first six months.

Report of Tariff Commission on Certain Vegetable Oils, 1932.

TABLE IV.—*Comparison of prices and consumption in soap making of coconut oil, cottonseed oil, rosin, and inedible tallow*

[Report of the Tariff Commission on Certain Vegetable Oils, 1932]

Year	Prices (cents per pound)[1]				Percentage of consumption of oils in soap making supplied by[2]			Consumption of rosin in soap[5]
	Coconut oil, crude (in tanks), Pacific coast	Cottonseed oil, prime, summer, yellow (in tanks), New York	Tallow, inedible, packers prime, Chicago	Rosin, K grade, Savannah[3]	Coconut and palm-kernel oils	Cottonseed oil	Inedible tallow and competitive materials[4]	
								1,000 pounds
1913	12.0	7.3	7.1	1.7				
1914	12.2	6.6	6.9	1.5	13.4	14.6	47.8	185,310
1915	12.3	6.8	6.9	1.3				
1916	15.1	10.6	9.9	2.0	11.0	18.4	45.2	
1917	17.1	15.4	15.6	2.1	14.4	10.5	44.1	
1918	18.1	20.1	17.9	3.5				
1919	17.4	24.1	15.4	5.8	20.6	6.2	50.3	119,529
1920	17.4	15.4	13.1	5.3				
1921	10.1	7.9	6.4	1.5	19.7	4.8	59.0	
1922	8.4	10.1	7.1	1.7	21.3	1.8	64.6	
1923	8.2	11.3	8.2	1.7	22.7	.9	63.6	
1924	8.6	10.8	8.5	1.8	20.0	.8	66.9	104,956
1925	9.8	10.8	9.7	3.5	23.4	.6	61.2	140,615
1926	9.4	11.8	8.7	4.5	23.8	.3	60.6	118,257
1927	8.2	9.7	8.1	3.2	22.5	.5	60.9	100,227
1928	8.0	9.9	8.8	2.8	23.6	1.2	61.3	92,777
1929	7.1	9.7	8.5	2.7	24.6	.7	60.4	114,300
1930	5.9	8.1	6.8	1.9	21.3	.5	64.4	
1931[6]	4.5	7.2	4.3					

[1] Bureau of Labor Statistics, Wholesale Prices.
[2] Computed from data given in section on soap making.
[3] Gamble, Thomas. Yearbook, 1913-1918 (naval stores); Naval Stores Review 1921-1930.
[4] Includes greases, red oil, palm oil, whale, and fish oils.
[5] Bureau of Census, 1914 and 1919; Bureau of Chemistry and Soils, 1924-1929.
[6] Average for first 6 months.

TABLE V.—*Report of the Tariff Commission on certain vegetable oils, 1932*

[Thousand pounds]

Calendar year	Amount of rosin used in soap	Amount of rosin which would have been used in each year specified in soap if its use had increased compared with 1914 to the same extent as the use of oils	Difference
1919	119,529	203,841	84,312
1924	104,956	298,349	193,393
1925	140,615	318,733	178,118
1926	118,257	335,411	217,154
1927	100,227	336,913	266,686
1928	92,777	368,766	275,989
1929	114,300	387,297	272,987

Mr. FLETCHER. Mr. President, the Houston platform laid down the rule and established the yardstick by which the Democratic Party is pledged to a tariff that will measure the difference between the cost of production at home and abroad. I have endeavored throughout all the tariff discussions of 1929, 1930, and the present time to follow that rule. I have never violated it so far as I know.

The position I took at the outset in reference to this bill was that we ought not to involve tariff items with the revenue bill. It seemed apparent to me that if we launched upon that field, we would find ourselves in the difficulties which now confront us. It is not fair to put in the bill certain items which are entitled to be considered—meritorious items, deserving of our attention in every way—and then exclude others and say, "We will go so far and no farther. We will put in four tariff items. We will not put in five." That amounts to a discrimination against other products that are just as meritorious, but are necessarily involved in the tariff idea.

I think it would have been well if we had omitted all tariff items from this bill and had submitted to the House of Representatives, where that legislation must originate, the idea that they should bring in tariff bills affecting these items and any other items that had merit in them. Let them bring in what we had during the war—what we called "popgun" tariff bills—and consider bills respecting different items or different schedules. They need not undertake to revise the whole tariff law but they could submit bills covering items of particular emergency demands and claims.

That idea did not seem to appeal to them. At any rate no such bills have been introduced in the other body. They did submit this bill with coal and oil in it; and, notwithstanding opposition to considering in this bill any items of a tariff nature, they were reported here by the committee.

I voted against them because I had a strong impression that we ought not to have those items in this bill; but the Senate voted them in. So we are in the position of having in the law certain particular commodities that are dealt with under the tariff rules imposing duties upon imports respecting particular items; and when that has been done I do not feel that we ought to say that we will go thus far and no farther, and we will not undertake to adjust meritorious items and claims beyond the particular things that have been voted in the bill.

Consequently, when the lumber amendment came up, the Senate having already voted in coal and oil, lumber seemed to me just as thoroughly justified; and there being considerable interest in that industry in the yellow-pine region of my part of the country, I felt that it would be a discrimination against them to say, "Your claims shall not be considered."

So we undertook to add to that item a provision for phosphate. There is a great industry. Sixty-seven million dollars are invested in it. A large number of people are employed in it; and it is threatened by Government monopoly. An inexhaustible supply of phosphate is now available in Morocco. The Moroccan Government are operating the mines, transporting the product, establishing docks and terminals for handling it, and are able to bring it across the ocean practically as cheaply as we can transport our phosphate to the markets in the United States.

They have already practically taken away the markets of Europe from our exporters, and they are invading this market, and they will eventually take this market. We can not mine phosphate in this country and produce it and put it on the market and transport it to the market as cheaply as they can do it there, where they are paying Arab labor 25 cents a day to mine it. The Senate, however, said, "No; we will not have that"; and I felt somewhat chagrined at the idea, because I think it is as meritorious an item as can be offered here.

However, here comes another proposition. As I have stated, I believe all these tariff items should be omitted from the bill. If I get an opportunity later on to strike them all out of the bill, I will vote to do so. I do not think they ought to be in the bill; but we have put them in. The Senate has done it; the House has done it; and here is another proposition that I think has very great merit. I do not feel that I would be justified in voting against it, in view of what has already been done, merely because of my belief that the bill should not include tariff items.

I shall not undertake to comment further on the arguments that have been submitted by the Senator from Delaware [Mr. HASTINGS], the Senator from Nebraska [Mr. HOWELL], and the Senator from Texas [Mr. SHEPPARD]. They have gone especially into paragraphs (9) and (11) of the amendment. I shall confine the few remarks I make to paragraph (10), because I happen to know something about the menhaden-oil industry.

It is quite an important industry. The people engaged in it are being almost driven out of business by the competition of other oils that are being imported into this country. Profits have diminished, and they practically see the end of their venture unless something is provided that will enable them to compete on a proper basis with the foreign importations.

There were produced in the United States last year, of menhaden oils, 15,179,099 pounds; of herring oil, including sardine and pilchard, 46,224,048 pounds; of whale oil, 16,193 pounds; and of other oils, for 1930, 1,754,558 pounds.

The exportation of these marine-animal oils from the United States is negligible; but the imports of competing oils are increasing year after year, and now amount to enormous quantities.

Of herring oil, for instance, including sardine and pilchard, the imports in 1931 were 31,825,650 pounds; of whale oil, 81,196,875 pounds; of seal oil, 599,025 pounds; and of other oils, 1,636,433 pounds.

The salvation of the industry depends upon the provisions carried in this amendment, and I think they are entitled to them. I am not particular about eliminating the Philippines. I make no objection so far as that is concerned. I think that would really be in accordance with our past policy; but, for the reasons I have stated, and without enlarging upon them, I am inclined to support and shall support this amendment.

Mr. BINGHAM. Mr. President, I did not know until this morning, when my attention was called to it through reading the amendment offered by the Senator from Missouri [Mr. HAWES], that in the Finance Committee we had permitted to remain in the bill section 601, paragraph (b) (5), which states that the taxes on imports imposed in this bill—

shall be imposed in full, notwithstanding any provision of law granting exemption from or reduction of duties to products of any possession of the United States.

Of course, one is always in danger in trusting to one's memory. My own recollection of our discussion in the Finance Committee was that this paragraph, which formerly included also provisions of treaties with other countries, had been entirely stricken out. Apparently my recollection is at fault, for in the bill, as reported from the committee, while the words "or treaty" are stricken out of the provision, so that we do not change, and very properly so, the duties on products coming from Cuba, for instance, or any country to which we grant a reduction of duties, we have under this provision treated our possessions in a manner contrary to the policy which heretofore has been followed by the United States.

I think that is a correct statement of the case.

Our possessions include the Philippine Islands, Puerto Rico, and several small groups of islands, like the Virgin Islands, Guam, and the Samoan Islands, that are not incorporated territories, as are the Hawaiian Islands, and as is the Territory of Alaska. My recollection is that with the possible exception of tobacco, on which a drawback is given to the Philippine government, we permit the products of our possessions to come in free of duty. That has been our policy for many years. During the discussion of the last tariff bill passed by the Congress the matter was fully threshed out, and by a very large vote the proposal to place a duty on Philippine products was voted down by the Congress. I see my friend the Senator from Missouri [Mr. HAWES] about rising to his feet, and I shall ask him whether or not that is correct.

Mr. HAWES. That is correct. May I ask the Senator from Connecticut a question? All of the products of the United States, which are in rather large volume, are admitted to these possessions of ours without tax, are they not?

Mr. BINGHAM. Entirely free of duty.

Mr. HAWES. And the Philippine Islands are not permitted to levy such a tax.

Mr. BINGHAM. That is correct.

Mr. HAWES. Which practically excludes all foreign importations, and does not permit the Philippines to derive a revenue of any kind for their own government.

Mr. BINGHAM. That is true also of the Virgin Islands and Puerto Rico.

Mr. HAWES. So in this case we would put a tax on the products of the Philippines and prevent the Philippines from putting a tax upon the products of the United States.

Mr. BINGHAM. That is correct.

Mr. HAWES. And they have nothing to say about it. It is a matter controlled exclusively by our Congress.

Mr. BINGHAM. Mr. President, at the proper time I shall move to strike out, on page 240, lines 21 to 24, which I thought the Finance Committee had stricken out in the committee. I shall move to strike that language out on the ground that it is contrary to the policy the United States has followed for many years past.

In regard to the pending amendment, the amendment offered by the Senator from Minnesota [Mr. SHIPSTEAD], and the substitute offered by the Senator from Missouri, let me say that it seems to me that to include two of the principal products of the Philippines, namely, coconut oil and copra, and to put copra on the tariff schedule when to-day it comes in free of duty, is entirely indefensible.

Copra is not produced in the United States. Copra is a product which we have always had on the free list. Copra from the Philippine Islands naturally comes in free of duty, as it comes in from other countries, and to put a duty on Philippine copra would be striking at one of the industries of a country which is now under our guardianship and striking at our wards in an entirely indefensible manner.

To double the duty on coconut oil, the present duty being 2 cents and the proposed addition of 2 cents bringing it up to 4 cents, might be defensible from the point of view of those who produce oils of one sort or other in the United States, but to place a tariff of 2 cents on oil coming from the Philippines would destroy the Philippine coconut-oil industry, an industry started largely with American capital. It is not a very large industry, but it is one of the things on which the Philippine government depends for part of its revenue. That provision would simply mean that the coconut-oil industry in the Philippines would be wiped out, and that the material would come in under the head of copra. Placing a tax on a material imported from one of our possessions, for whom we are responsible, whose laws we make and to whom we deny the privilege of placing a tax on any of our products, seems to me so indefensible that I trust the amendment offered by the Senator from Minnesota, in so far as it concerns the Philippine Islands, will not prevail and that the substitute offered by the Senator from Missouri will prevail.

Mr. NORRIS. Mr. President, I had not intended to say anything on the pending amendment, but it seems to me, since a large share of the argument offered in favor of it has been on the ground that it was going to help agriculture, my silence might be misconstrued when considered in connection with the vote I am going to cast.

I think the argument as to the benefits this amendment would mean to agriculture is very much exaggerated, although I am not going to discuss that proposition. If the substitute offered by the Senator from Missouri shall be agreed to, I shall have no objection to the amendment and expect to vote for it.

My objection is based upon an entirely different principle. We are holding the people of the Philippine Islands without their consent. We are passing laws for their government. They are under our control and under our flag—not because they asked to come under it but because we took them under it by force.

We pass laws for their government. Our laws will not permit them to levy a tariff upon anything going from the United States into the Philippine Islands. This amendment proposes to levy a tariff on their products coming to the United States.

In my judgment that is absolutely indefensible, regardless of what the thing or the subject is upon which we are to levy the tariff. Our Government originally became a government because our forefathers said that taxation without representation was tyranny. It seems to me that if there is one thing more than another that is the very foundation corner stone and excuse for our existence of the Government it is that principle. It would be absolute tyranny, as I look at it, to say to any people, "We will take you without your consent, hold you in subjection; we will

make laws for your government; you are a part of our country, under our laws; we will not permit you to pass any tariff act that will levy a tariff duty upon anything coming from our country into yours, but we will, without consulting you, and without your consent, levy a tariff tax upon the products of your country which come to ours."

The Philippines are not under our Government, as I said, because they want to be. They are clamoring, and have been for years, for independence. I am one who believes that we ought to give them their independence; and when we do, then the amendment of the Senator from Minnesota perhaps would be something we ought to engraft into our laws. But I protest against our Government levying a tax upon the people of the Philippine Islands while, without their will and without their consent, we are holding them in subjection. That goes away beyond any benefit that might come to anybody on account of such a tariff as is proposed.

Mr. COSTIGAN. Mr. President——

The PRESIDING OFFICER (Mr. CAREY in the chair). Does the Senator from Nebraska yield to the Senator from Colorado?

Mr. NORRIS. I yield.

Mr. COSTIGAN. Was it not the attempt of Great Britain to dictate the economic life and development of the thirteen Colonies which led to the American Revolution?

Mr. NORRIS. That is as I understand it.

Mr. COSTIGAN. That policy was pursued through the navigation laws.

Mr. NORRIS. As I tried to say a few minutes ago, it is the fundamental principle of our existence. If that principle had not been invoked, we probably would now be under the British flag instead of having one of our own.

With these helpless people—weak, unable, of course, to cope with us in strength—compelled to submit to whatever we say shall be the law, we ought to be careful, more careful than we would be if we were legislating for our own people, because the people of the Philippines are held without their consent, and we are taxing them without their representation.

I feel that it would be just as bad if we said that we would levy a tax upon the products of Florida before they would be permitted to cross the line into North Carolina. Our forefathers were so careful that such a thing should never be done that they put an inhibition into the Federal Constitution against it.

It seems to me, Mr. President, that we can not afford to adopt this amendment levying a tax upon the products of the Philippine Islands.

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

Mr. NORRIS. I yield.

Mr. WALCOTT. I feel very strongly about this matter. There is no question in my mind but that the Filipino has at least provincial status, somewhat on the terms under which Australia and Canada are connected with Great Britain. I agree with the Senator in what he has just said, but I would like to ask him whether he knows of any Supreme Court or other decision which would prevent our taxing articles coming from the Philippines. I was just wondering what the law is.

Mr. NORRIS. I do not know of any Supreme Court or other judicial decision which denies that right. I am assuming that we could impose a tax. Although I have never looked the matter up, I believe we have a legal right to do it. I am not relying on any technicality. If it had been decided a million times that we had the right to do it, I would not be in favor of doing it.

I do not want our Government to perform an act which we can perform simply because we are strong, and against the people who are weak, if it is unjust, even though we have the technical legal right to do it.

Mr. WALCOTT. I entirely agree with the Senator's last statement. My question was not intended to indicate an opposite view.

Mr. COSTIGAN. Mr. President, may I supplement and indorse what the rarely gifted Senator from Nebraska has so well stated by reminding the Senate that in the controversy over the independence of the thirteen Colonies the question was raised in the British Parliament, as it is here to-day, whether that Parliament, thousands of miles away, had the power legislatively to control the economic future of the thirteen Colonies by limiting and determining their markets without their consent? Led by Lord George Grenville, it was then argued by some of the advocates of such technical legal power that the power not only existed but should be employed. It was the contention of Edmund Burke, a far wiser statesman, whose judgment has been vindicated by history, that though the power existed, it should not be used to the disadvantage of a remote and unwilling colonial people under the same flag.

Mr. SHIPSTEAD. Mr. President, I agree with all the sentiments that have been expressed on the matter of taxation without representation and with all the beautiful sentiments that have been expressed by Senators as to how a government should govern and control a subject people. Seriously, I can not understand what that has to do with the case. The question of local taxes in the Philippine Islands has nothing to do with this matter. The question of taxing the Filipinos has nothing to do with it. The Filipinos will not pay one cent of tax under this amendment. They have a monopoly of coconut oil which is sent to the United States and they will still continue to have a monopoly. It is not claimed that less coconut oil will come in then than comes now. I am informed it will come here in just as large quantities as now. I am informed that copra will come here in the same quantity it comes now.

The effect of the amendment will not be an embargo; it will not hamper the exports of the Philippines and it will not cost the Filipinos one cent, because the extra tax that will be levied will be paid in the United States. The Oil Trust can pay twice its tax on its raw material without raising the price of the finished products they sell to the United States. Does anyone claim the oil tariff put upon oil was a tax upon the people of Venezuela? Will anyone deny it was a tax upon the American people? Is there anyone here who will claim that a tariff is not a tax upon the American people? Does anyone deny that the tax of $2 a ton on coal will raise the price of coal to the American people?

These imports will come here in the same quantities, I am informed, in which they have come in the past, and the revenue that will be raised will amount to about $25,000,000; so I fail to see where it will affect the economic welfare of the Philippine Islands.

Mention has been made of the capital invested in the Philippine Islands. That capital is not Philippine capital. It is American capital, English capital, and other European capital. This foreign capital is taking advantage of a sentimental situation artificially created to make enormous profits at the expense of the farmers of the United States. As a result the farmers of the United States are compelled to pay indirectly the cost of maintaining the Philippines under the American flag.

I yield to no one in my good wishes for the Philippine Islands. I have been ready ever since I came to the Senate to vote for their freedom. I am ready to vote it to-day. But this capital invested there has been able to play upon the sentiment of the American people to prevent the freedom of the Philippines and to prevent a tax upon the products which they use and which they obtain in competition with American products for the manufacture of soap. They have an advantage which they are not willing to give up.

The soap industry will not absorb, and does not want to absorb, this tax unless it has to do so. If it can be passed on to the American people, the American people will pay the tax of $25,000,000. Of course, it is a tax upon the American people. So is the tax upon automobiles. So is the tax upon checks. So is the tax upon coal. So is the tax upon oil. This will not lower the importation of the products involved. The incidental benefit to agriculture will be that it will have the incidental effect of increasing the price of the products of the farmer which now have to meet upon the market these imported articles which are imitations of

products of the farmers. It is first of all, therefore, a revenue measure and incidentally it will have some effect upon the price of farm products.

Mr. BORAH. This amendment brings to our attention again the supreme necessity of disposing of the question of the independence of the Philippines. That is the large and important matter; and while it may be true, as said by the Senator from Minnesota [Mr. SHIPSTEAD], that in a large measure this tax will fall upon the American people, it is equally true in my judgment that no real permanent advantage can be had by the American farmer with reference to trade in the Philippines until the Philippine question is settled, and settled permanently.

It is a matter of supreme importance to agriculture in this country. Agriculture is brought in contact and in competition with the cheapest labor in the world and with the most fertile soil in the world with reference to certain products.

I hope, Mr. President, that before this session closes we will take action upon the question of the independence of the Philippines. If we can do that with a bill based upon sound principles, we can render a real service to American agriculture—perhaps not immediately, because the question of the economic relations can not be solved immediately, but it can be solved within a reasonable time and to the advantage and protection of American agriculture.

I am not disposed to vote for the pending amendment, first, for the reason which has been stated by some of my colleagues, but secondly, because I do not regard it as reaching the real problem and settling the question as it ought to be settled. I must say, however, that if the Philippine Islands are not to be given their independence and economic relations with that country settled within a reasonable time, I am not in favor of making American agriculture carry this burden indefinitely. Undoubtedly we have the legal power to do what is proposed here to do. There is a question of ethics and morality in it, yet we have the legal power. There is another side also to the question of ethics and the question of just justice, and that is whether American agriculture should be compelled to carry indefinitely this burden which they are now carrying. I hope, therefore, that before the session closes we will settle the Philippine question. We should determine at this session a permanent policy toward the Philippines. If they are to have independence, let us determine that. If not, let us determine that. But let us try to establish a permanent policy and adjust our relation with the Philippines upon a permanent basis.

Mr. HAWES. Mr. President, the pending amendment involves two distinct questions. One is a moral question of sustaining the established American position regarding the Philippines since our first occupancy of those islands. The other is a tariff question or a tax question.

A few days ago the Senator from Connecticut [Mr. BINGHAM] introduced into the RECORD a letter from former Ambassador Forbes, who held many distinguished positions in the Philippines, has written a great book on the subject, and now is advocating Philippine independence and the passage of the Senate bill.

The first commission sent to the Philippine Islands was under President McKinley. He selected as the head of that commission Dr. Jacob Gould Schurman, scholar, student, and historian, who was at that time president of Cornell University. I ask that a statement by Doctor Schurman, advocating the freedom of the Philippines, and advocating the passage of the Hawes-Cutting bill, be inserted in the RECORD in connection with my remarks.

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

The statement is as follows:

[From the Pasadena Star-News, February 25, 1932]

PHILIPPINES' FREEDOM IS ADVOCATED—DR. JACOB G. SCHURMAN'S VIEWS PLAINLY GIVEN—COMPACT'S FRAMER IS EMPHATIC

"If the Filipinos themselves are willing to fill the higher governmental offices and to assume the problem of self-defense, we must recognize that it is their problem and leave the islands, whether we think we can run them better than they or not. We have formally agreed to this by act of Congress. Our own Government is based on the consent of the governed, and the Filipinos appeal to us on the same ground to grant them independence."

This unequivocal declaration was made in Pasadena last evening by the man who headed the first mission to the Philippines, Dr. Jacob Gould Schurman. He made it at the end of a lecture given in Dabney Lounge at the California Institute of Technology, and with deliberation, after explaining that he wished to be quite fair and not allow personal feelings to enter in. Doctor Schurman helped largely to frame the original compact with the Filipinos.

After an exhaustive review of events leading to and succeeding the Aguinaldo insurrection, Doctor Schurman made it clear that the Hawes-Cutting bill, now before Congress, should in the interests of justice be passed.

SIGNIFICANT DECLARATION

He referred also to its predecessor, the Jones law, which, he said, "gives to the Philippines practically all the powers of government that can be granted to a people short of complete sovereignty. The Philippines now," he continued, "are substantially in the hands of the Filipinos, with the exception that the highest officers are appointees of the President of the United States."

Doctor Schurman went on to quote the preamble of the Jones law, which he described as "the most important declaration of policy we have ever given." This is, he said, quoting, "An act to declare the purpose of the people of the United States as to the future political status of the Philippine Islands and to provide a more autonomous government for these islands."

The preamble goes on to state that "it has always been the purpose of the people of the United States to withdraw their sovereignty over the Philippine Islands, and to recognize their independence as soon as stable government can be established therein."

"COMPLETE INDEPENDENCE"

The law clearly points to the time when, as the preamble states, the Filipino "may be the better prepared to fully assume the responsibilities and enjoy all the privileges of complete independence," continued the speaker.

Consequently, the purpose of the Hawes-Cutting bill, now up in the Senate at Washington, is to provide for the withdrawal of United States sovereignty and for the granting of independence to the Filipinos.

Doctor Schurman pointed out that the Senate committee majority had reported strongly in favor of the bill, and that the minority report only raised questions of the wisdom of quitting the highest offices, the ability of the islanders to pay their own way, and the risking of outside aggression.

But, the distinguished diplomat and former president of Cornell University, added, in effect, if the Filipinos are prepared now to shoulder the full responsibilities of home rule, then it is up to the United States to withdraw and let them do it.

Mr. HAWES. Mr. President, I have with considerable care tried to ascertain if there is in the Senate a single Senator who would oppose Philippine independence. I have not been informed that such a man exists. It is true that one Senator has a constitutional question to discuss, that another disagrees with the limitation and the time; but as to the general problem of granting independence to the Philippines and fixing a definite date, I can not find any opposition.

The House recorded itself in a most remarkable manner. Of 435 Members, approximately 350 have expressed themselves in favor of Philippine independence. During the last year there has been a marked change in the sentiment of our great magazines, our great newspapers, and without exception every independent investigator of the subject who has gone to the Philippines and studied the question favors the carrying out of our historic promise to those people.

Mr. TYDINGS. Mr. President——

The VICE PRESIDENT. Does the Senator from Missouri yield to the Senator from Maryland?

Mr. HAWES. I yield.

Mr. TYDINGS. I think the remarks of the Senator from Missouri, who has put in so much time on a consideration of this subject, are worthy of the attention of every Senator. While I shall not insist upon it, I should like the Senator to yield so I may suggest the absence of a quorum.

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

Mr. HAWES. Mr. President, as I proceed I want to make it perfectly clear that the friends of Philippine independence do not want to occupy the time of the Senate when we have pressing and immediately distressing domestic conditions before us. I have pursued a policy since the early report of our committee of occupying very little time upon this subject in the Senate, so I prefer not to yield for a quorum call.

Mr. TYDINGS. Very well.

Mr. HAWES. Mr. President, I mention the legislative situation because in a very short while I hope the Philippine independence bill will be passed. That bill deals specifically with these tariff questions. In the House bill and in the bill reported by the Senate committee there is a limitation placed upon the exports of the Philippine people. In the Senate bill there is a graduated tariff. So that within the next two or three weeks the question should solve itself in the Senate and in the American Congress, and therefore it is unfair now and is unnecessary to adopt the pending amendment.

Mr. President, I have never introduced political subjects in any discussions, either before the House when I was a Member of that body or before the Senate; but I can not believe it is possible that the Republican Senate would adjourn without passing upon the question of Philippine independence. It would be very unfortunate for the American people and very unfortunate for the Philippine people if we go to the country, if you please, with the Philippine independence bill passed by a Democratic House and the issue raised that a Republican Senate refuses to pass upon the same question.

Mr. BINGHAM. Mr. President——

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

Mr. HAWES. Yes.

Mr. BINGHAM. As chairman of the committee which reported out the Senator's bill, may I say to him at this point, or repeat what I have said previously, that I shall be glad to join with him in any effort he may make to bring the bill to the attention of the Senate and to get it passed, because it seems to me that it is only fair to the Philippine Islands that this question be settled and that it should not be left in the air. I hope the Senator will press at the earliest opportunity to have this bill taken up and considered, and I shall be glad to lend any aid in my power to that end.

Mr. HAWES. I am certainly grateful to the Senator. I know the farmers of America are grateful to him, as are union labor and the exclusionists on the coast, but particularly the people of the Philippine Islands. It is impossible for them to adjust their economic condition or their political position until this question shall be determined.

I mentioned the unanimity of sentiment in the Senate for this reason: The consideration of the bill will not occupy many hours of discussion. Certainly a half hour will suit me. I believe the Senator from Michigan [Mr. VANDENBERG] may possibly consume an hour, and perhaps the Senator from New York [Mr. COPELAND], who has a constitutional question in mind, may consume a half hour. I do not think the consideration of the bill could possibly occupy more than two afternoons or three evening sessions. Then the question will have been decided by a Democratic House and a Republican Senate, and it will meet the demand coming from all classes of our people for dispelling the present situation of uncertainty.

Mr. WALSH of Massachusetts. Mr. President——

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

Mr. HAWES. I yield.

Mr. WALSH of Massachusetts. Will the Senator state what is the status of the bill?

Mr. HAWES. The bill is not only on the calendar, but it is on the preferential calendar.

Mr. WALSH of Massachusetts. I had the impression that the bill is on the preferential calendar.

Mr. HAWES. It follows the Muscle Shoals measure and one or two other bills. It is fourth on the preferential calendar.

Mr. WALSH of Massachusetts. I assume, however, when the bill relative to economy shall be reported it will take preference, perhaps, over all other pending legislation, as will be the case also with reference to the proposal for emergency legislation providing a public-works program.

Mr. HAWES. The Senator is correct; but, so far as the friends of Philippine independence are concerned, we give way to those great public measures that are pressing.

Mr. WALSH of Massachusetts. I notice the Senator from Missouri has in his hand the program of the steering committee. Will the Senator read that program as to the bills that are proposed to be taken up before the bill providing for Philippine independence?

Mr. HAWES. Calendar No. 298, the Navy bill, has been disposed of.

Then come the bill of the Senator from Virginia [Mr. GLASS] and the joint resolution of the Senator from Georgia [Mr. GEORGE].

Mr. WALSH of Massachusetts. The Glass bill has been temporarily laid aside, has it not?

Mr. HAWES. Yes.

Mr. WALSH of Massachusetts. The George joint resolution, I assume, will be taken care of by the economy bill?

Mr. HAWES. I assume so.

Next on the calendar is the measure making an appropriation for emergency highway construction, which I believe will be covered in the same way.

Mr. WALSH of Massachusetts. Exactly.

Mr. HAWES. Then comes the measure of the Senator from Nebraska [Mr. NORRIS] with regard to Muscle Shoals, and then comes the Philippine independence measure.

Mr. WALSH of Massachusetts. I concur in the Senator's judgment that it is very important, in the interest of stabilizing economic conditions in the Philippine Islands as well as political conditions, that we act as promptly as possible on the bill providing for the independence of the Philippine Islands.

Mr. BINGHAM. Mr. President——

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

Mr. HAWES. I yield.

Mr. BINGHAM. May I suggest to the Senator that it ought to be possible, after we get the tax bill and the economy bill out of the way, to have two or three night sessions during the period when we are considering appropriation bills and when appropriation bills are in conference to consider the Philippine independence measure and to permit those who differ with the committee in regard to it to state their views and others who may desire to do so to speak? In that way we ought to be able to do what the Senator wishes, and what I am desirous of helping him do, without interfering with the consideration of the necessary revenue and appropriation bills.

Mr. HAWES. I thank the Senator for his suggestion.

Mr. President, I find that the Democratic leader of the Senate, the Senator from Arkansas [Mr. ROBINSON], is entirely sympathetic with the idea of an early vote on the Philippine independence bill and that the same statement may be made with reference to the leader of the majority, the Senator from Indiana [Mr. WATSON], and the distinguished Senator from Oregon [Mr. MCNARY].

Mr. WALSH of Massachusetts. Mr. President, the Senator did not state what is the situation in reference to this measure in the House of Representatives. Is there a similar bill pending in that body?

Mr. HAWES. The House passed the bill by approximately 350 votes out of 436.

Mr. WALSH of Massachusetts. I recall that now. So all that is necessary for us to do is to substitute the proposal of the Senator from Missouri and have the bill go to conference?

Mr. HAWES. That is all.

Mr. BINGHAM. Mr. President, may I say to the Senator from Massachusetts that the House bill is now on the calendar, having been reported from the committee with the House text stricken out and the text of the bill offered by the Senator from Missouri in the Senate in lieu thereof?

Mr. WALSH of Massachusetts. I thank the Senator for refreshing my memory about that.

Mr. HAWES. Mr. President, returning to the amendment which I have suggested, my attention was called during the discussion of the Smoot-Hawley tariff bill to this same problem in its relation to sugar. At that time the senior Senator from Louisiana [Mr. BROUSSARD] fought very

long and vigorously to place a tax upon sugar coming from the Philippine Islands. It was during that discussion that my attention was directed to this phase of the subject. I believe that it attracted the attention of the people of the United States, and certainly had a great bearing on our deliberations both in the House and the Senate committees. We tried to comply with the thought of limitation and the thought of a tariff, but these two things should be coupled only after independence has been decided upon.

Mr. President, beginning in 1909, each of our Secretaries of State and our Secretaries of War have protested before House and Senate committees against any discrimination of the Philippine Islands at this time. Every Governor General whom we have sent to represent us in the Philippine Islands similarly has protested. It seems to me that it would be a most unfair thing to discriminate against these people at this time, and particularly because probably within the next 30 days the question of their permanent status and relations with the United States will be definitely determined. My amendment does not interfere with the imposition of a tax, if it is the voice of the Senate that one should be imposed, upon the importation of copra from all the rest of the world. All the amendment does is to protect the people in our colonial possessions while we control them, while they are under our sovereignty, from having a distinction drawn which would be not only obnoxious to them but unfair.

Our own products go there in unlimited quantities, to the profit of American manufacturers. The islands can not, under our direction, tax foreign imports coming to them. So, from every point of view, the historical, the economic, and because of approaching independence for those islands, I hope that the amendment I have offered will be adopted.

The VICE PRESIDENT. The question is on the amendment offered by the Senator from Missouri [Mr. HAWES] to the amendment offered by the Senator from Minnesota.

Mr. McNARY. Mr. President, I have been requested by a number of Senators to suggest the absence of a quorum when the debate on this question was concluded. I do so at this time.

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

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

Ashurst	Costigan	Hull	Sheppard
Bailey	Couzens	Johnson	Shipstead
Bankhead	Dale	Jones	Shortridge
Barbour	Davis	Kean	Smith
Barkley	Dickinson	Kendrick	Smoot
Bingham	Dill	La Follette	Steiwer
Blaine	Fess	Lewis	Stephens
Borah	Fletcher	Logan	Thomas, Idaho
Bratton	Frazier	Long	Townsend
Brookhart	George	McGill	Trammell
Broussard	Glass	McNary	Tydings
Bulkley	Glenn	Moses	Vandenberg
Bulow	Goldsborough	Neely	Wagner
Byrnes	Hale	Norris	Walsh, Mass.
Capper	Harrison	Oddie	Walsh, Mont.
Caraway	Hastings	Patterson	Watson
Carey	Hatfield	Pittman	Wheeler
Cohen	Hawes	Reed	White
Connally	Hayden	Robinson, Ark.	
Coolidge	Hebert	Robinson, Ind.	
Copeland	Howell	Schall	

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

Mr. ROBINSON of Arkansas. Mr. President, I do not intend to delay the vote. It is my purpose now merely to state that I think the incorporation of tariff items in this bill is to be condemned, and that it is particularly objectionable to impose taxes on imports from the possessions of the United States.

There is pending now in the Senate a bill to assure the independence of the Philippine Islands upon conditions and within a reasonable time. There is practically no opposition to that bill in the Senate. When I say that, I mean that if a vote were taken, the bill, with such modifications as the Senate might see fit to impose, would be enacted by an overwhelming vote. During this session I think the Senate ought to vote on that bill; but it is particularly objectionable to carry this tariff-making process, these protective provisions, to the extent that they may apply to imports from territory possessed by the United States.

I should like to elaborate this thought, but, realizing that the Senate is ready for a vote, I shall refrain from doing so.

Mr. BINGHAM. Mr. President, will the Senator yield before he takes his seat?

Mr. ROBINSON of Arkansas. Certainly.

Mr. BINGHAM. Does the Senator remember that one of our possessions, which I had the honor of visiting with him, has for its sole product copra, which is mentioned in this amendment; and that if a tax is put on copra, it would practically ruin the Samoan Islands, which depend for their entire revenue and their entire economic activity on the product known as copra?

Mr. ROBINSON of Arkansas. The statement of the Senator from Connecticut is entirely correct. We have the power, and if we wish to exercise that power we can destroy the prospects for advancement of peoples occupying territory belonging to the United States by the exercise of the constitutional authority to levy import duties; but I should regard it as an act of tyranny that can not be characterized in any other way.

Mr. PITTMAN. Mr. President, I assume that the question is on the amendment of the Senator from Missouri [Mr. HAWES].

The VICE PRESIDENT. The pending question is the amendment of the Senator from Missouri [Mr. HAWES] to the amendment of the Senator from Minnesota [Mr. SHIPSTEAD].

Mr. PITTMAN. I think the offer of the amendment by the Senator from Minnesota and the necessary amendment by the Senator from Missouri disclose the necessity of acting at an early date upon the question of Philippine independence.

As has been stated by the Senator from Arkansas, and it need not be restated, we consider it immoral to place a tariff tax on these people while we have sovereignty over their islands and over them. As the Senator said, there is no particular opposition in the Senate to the passage of the Philippine independence bill. It should be acted on without very much debate. The only real difference of opinion, as I understand, is as to details. There are a few in this country—a very few—who hold the view that no date should be fixed for independence. That view will not be sustained in this body, I think, by any Senator.

The period of time intervening between the preparation for independence and independence was a subject of discussion. It was realized, of course, that there must be preparation, that there must be adjustment, and the Committee on Territories and Insular Affairs gave that matter very careful study for many weeks and came to a unanimous agreement except with regard to certain details.

The bill provides that the Philippine Islands may become independent from and after 15 years from the passage of the act, if by a plebiscite the Philippine people vote in favor of it, but if they do not vote in favor of it, then the conditions as they are will continue to exist.

The bill goes further than that. It provides that the first thing that shall be done is to adopt a constitution. The bill contains mandatory provisions to be included in that constitution. Those mandatory provisions, in my opinion, carry every protection of the people of the Philippine Islands and of our own citizens that is carried in the Constitution of the United States. That constitution must be prepared, the first thing that is done, and it must be submitted to the President of the United States for his determination as to whether or not it contains the mandatory constitutional provisions for protection that are included in this bill.

In other words, the bill sets out a constitution. When that is prepared by a constitutional convention in the Philippine Islands, it is then sent by the Governor General of the Philippine Islands to the President, and he determines the question as to whether or not that constitution contains all of the mandatory provisions prescribed in the bill. If it does, then it is sent back to the Philippine Islands, and it

still does not become their constitution until it has been adopted by a vote of the people of the Philippine Islands.

There is another provision; that is, that having adopted this constitution, the government of the islands then becomes an autonomous government in a sense; but during the period of the autonomous government down to the time that the islands become independent after the period of 15 years by a plebiscite vote, they pledge themselves in the constitution to swear allegiance to the United States and the sovereignty of the United States is not disturbed.

There are, however, other tests made of them than that.

We have found the very difficulty in Congress that is now aroused by this amendment and the amendment to it; that is, there is no question but that our farmers are suffering to a certain extent from competition with imports from the Philippine Islands. There is complaint that our labor is suffering from immigration from those islands; and yet we meet exactly the same objection that has been met in Congress before—that it is immoral on our part to attempt to apply the laws that we apply to foreign countries to the Philippines so long as they are under our sovereignty and control.

The Philippine commission, on behalf of the Philippine people, recognize that this competition with regard to agricultural products and labor is disagreeable to our people; and they have willingly and voluntarily agreed with our committee that the status quo of imports from the Philippine Islands may be maintained for the period of the first 10 years, that they shall not be increased, and that all imports from the Philippine Islands over and above the present status quo shall be subjected to our tariff laws. They also provide that from the very beginning of the autonomous government, which takes place upon the adoption of the constitution, immigration to this country shall be limited to 100 individuals per annum. Those are things that we desire to accomplish. Those are things that are perfectly agreeable to the people of the Philippine Islands.

That is not all. At the end of 10 years, while their autonomous government is still in existence, they subject themselves to taxation on their exports to the United States. During the eleventh year, on those things that they have been allowed to bring in free for 10 years, they pay 5 per cent tax; the next year, 10 per cent; the next year, 15 per cent; the next year, 20 per cent; and after that, during the period of the autonomous government, 25 per cent. That is, on the things that come in under the status quo free for the first 10 years—they pay the ordinary tariff duties on all above that—they start in at the end of 10 years to pay tariff duties on those things that have previously come in free under the quota.

Of course, if and when independence is voted after 15 years, then all of our immigration laws and all of our tax laws apply to the Philippine Islands, just the same as they apply to any other country.

Objections have been made by one or two that there should be no date fixed for independence. They say, "Wait 20 or 25 years and find out whether the people of the Philippine Islands have reached sufficient advancement for independence." That is a denial of independence. The Senate is not going to deny independence.

The questions the committee had to determine were as to the reasonable time for preparation, and the reasonable conditions which should be imposed in the meantime.

In the first place, we tried to maintain the status quo of exports from the Philippine Islands during the time of the autonomous government, so that they could not increase. In the second place, we tried to teach the Filipino government as to the complications they would find when they did obtain independence. So we started in, with their approval, on a gradually rising tariff on the quota imports after 10 years. Mind you, we had in mind to apply our tariff laws to them, but they made a suggestion to us that was far superior; that is, they would impose those taxes in the form of an export tax, and that they would take the money they earned from the export tax and place it in a special fund for the purpose of amortizing the bonds and securities they had issued, and for which our Government is morally if not legally responsible.

So that when they do, after 15 years, vote for absolute independence, every bond, every indebtedness of that government will be wiped out. They further agreed at that time to assume all responsibilities after the 15 years.

Let me go further. Not only do they, during the period of the autonomous government, and the period of 15 years at the end of which they vote upon the question of independence, carry these mandatory constitutional provisions, but there is retained in the President of the United States practical control over the economics and finances of the islands, and over their actions respecting any foreign country. It is expressly provided that the President may suspend any act of that government which threatens the financial condition of the islands, or the violation of any obligation undertaken by the government of the islands or by the Government of the United States.

That is an extraordinary power, but the representatives of the Philippine government are satisfied that their autonomous government will do nothing to threaten the financial condition of the Philippine Islands, or to threaten in any way the constitutional government of the islands, or to do anything that will disturb the relations of the Philippine Islands or the United States with any foreign country. So they have themselves vested in the President of the United States absolute power and control to suspend any law that would threaten such misfortunes.

It seems to me that the representatives of the Philippine Islands have been not only fair but that they have been broad in meeting the demands of our Government, not only with regard to what we consider the protection of their own future existence but for the protection of our own citizens and our own property in the islands. Do Senators realize that in this act, agreed to by the Philippine delegation, our Government is allowed to retain forever, if it sees fit, several hundred thousand acres of land in the Philippine Islands; that it may retain its present naval bases, its Army bases, its posts, and all of those reservations; that it may maintain in fee simple forever every selection our Government has made through the War Department, the Navy Department, the Interior Department, or any other department of our Government, for the use and benefit of the United States?

Mr. President, the chief value of this bill at the present time is not only that it has been carefully worked out for the protection of the Philippine people and their future government as we see it, but that it has been worked out just as carefully for the protection of our Government and our citizens as we see it. Above and beyond all that, it has been gladly and readily accepted, not only by the committee of the United States Senate but by the representatives of the Philippine people.

It is a happy solution of this question. All have met in the friendliest spirit. All stand for independence. There were some few minor objections with regard to the power, we will say, of the Governor General under the bill, or called, as he might be, the high commissioner. Former Ambassador Forbes to Japan, who was Governor General of the Philippine Islands for years, who studied the Philippine question for years, indorsed the Hawes-Cutting bill heartily, but he suggested that there were two or three minor amendments which he thought should be adopted, and those amendments have been offered by the Senator from Missouri [Mr. HAWES], one of the coauthors of the bill, and undoubtedly will be accepted.

This measure is ready to pass. It is ready for acceptance. There may be a few detailed amendments and changes in it, but the general thought behind the whole bill is unanimous. We are ready to act on it. It is on the legislative program at the present time. It should be acted on, in my opinion, and will be acted on.

Therefore I say that amendments which controvert the policy and the principle agreed on by our committee with

the representatives of the Philippine government and the Philippine people should not at this time be permitted to pass.

Mr. McNARY. Mr. President, I am tremendously interested in Senate bill 3377, introduced by the very able Senator from Missouri [Mr. HAWES]. The bill is now on the calendar and has received very studious and careful consideration by the Committee on Territories and Insular Affairs, and whatever I may have to do with the conduct of affairs on the floor of the Senate, I shall further the early consideration of that measure.

Of course, the Senator from Missouri realizes that as we approach the end of the session there is more or less of a congestion, but inasmuch as that bill touches on the freedom of the Philippine people it is an important measure. I shall give it my very loyal support.

Touching on the amendment offered by the Senator from Minnesota, in view of the legislation now on the calendar, referring, as it does to a graduated tax, an impost-duty system, and the ultimate independence of the Philippine people, it is my judgment that it should not at this time be injected into a revenue bill in the way of an amendment. If it were the only possible opportunity for reaching the situation close to the heart of the senior Senator from Minnesota, it would be very well for us to consider it, but inasmuch as a measure dealing in a general way with this whole important subject matter is on the calendar and is ready for action, and the opportunity will soon come to us to act on it, it is my judgment that we should exclude the Philippines from the operation of the amendment offered by the Senator from Minnesota. For that reason I shall oppose the amendment.

Mr. BROUSSARD. Mr. President, I can not take any position different from that I took a couple of years ago when a tariff bill was before us. I offered an amendment to the tariff bill to grant independence to the Philippine Islands, or to take the preliminary steps looking to that end, and then sought to have imposed a tariff upon the sugar imported from the Philippine Islands. I pointed out the fact that the oils imported from the Philippine Islands were doing great harm to the agricultural people and to the dairy people of this country.

Therefore I shall vote for the pending amendment, although I can quite agree with the Senator from Oregon, the Senator from Nevada, and the Senator from Missouri, that if we enact the pending bill there might be some amendment offered which might correct what we are trying to accomplish along the lines of the amendment offered by the Senator from Minnesota.

When House bill 7233 came to the Senate, I offered an amendment which I believe it necessary to reoffer to the Senate bill. I would like to have the clerk read the amendment, and have it printed. It is offered as an amendment to the Senate bill.

The PRESIDING OFFICER (Mr. VANDENBERG in the chair). The clerk will read.

The Chief Clerk read as follows:

Amendment intended to be proposed by Mr. BROUSSARD to the bill (S. 3377) to enable the people of the Philippine Islands to adopt a constitution and form a government for the Philippine Islands, to provide for the independence of the same, and for other purposes, viz: On page 25 strike out lines 17 to 23, inclusive, and insert in lieu thereof the following:

"There shall be levied, collected, and paid on refined and unrefined sugars coming from the Philippine Islands in any calendar year the same rates of duty which are required by the laws of the United States to be levied, collected, and paid upon like articles imported from foreign countries: *Provided*, That for the first year of the existence of the government of the Commonwealth of the Philippine Islands 50,000 long tons of refined sugar and 800,000 long tons of unrefined sugar shall be exempt from the payment of said duty, and that for the second year the amounts of refined and unrefined sugars herein provided to be admitted free of duty shall be reduced by 5 per cent, for the third year by 10 per cent, for the fourth year by 15 per cent, for the fifth year by 25 per cent, for the sixth year by 40 per cent, for the seventh year by 60 per cent, for the eighth year by 85 per cent, and thereafter, and until final independence is granted, full duties shall be paid."

The PRESIDING OFFICER. The Chair understands the Senator from Louisiana desires to have this amendment printed and lie on the table.

Mr. BROUSSARD. I make that request.

The PRESIDING OFFICER. That order will be made.

Mr. WHEELER. Mr. President, I agree thoroughly with what the senior Senator from Nevada [Mr. PITTMAN] has said with reference to attempting to place a duty on articles coming in from the Philippine Islands. I agree that it would be immoral for the Congress of the United States, while holding the Philippine Islands, to place duties upon imports from those islands.

I want to say further that the reason why there is so much clamor at this time for increased tariffs on the part of the copper miners and on the part of every other industry is because of the difference in the rate of exchange between the money of this country, which is upon the gold standard, and the money of countries which are off the gold standard. So far the Congress of the United States has not seen fit to meet the fundamental thing that is wrong in this country to-day.

I first want to read an article by Louis J. Taber, master of the National Grange, and I understand late a candidate for the Senate in the State of Ohio on the Republican ticket:

IRON DEBTS AND RUBBER MONEY

By L. J. Taber, master of the National Grange

If the farmer borrowed a dollar in 1919 and must pay that dollar to-day on the present price index, he must pay $2.33 for every dollar borrowed. Coming down to as late as 1928, if a farmer borrowed a dollar and must pay it back at the present price index, he must pay $2.08. Averaging it over the last 15 years for agriculture, measured in terms of products, it means he must pay $2.25½ for every dollar he has borrowed.

These figures indicate that the interest rate, if you figure on a basis of 6 per cent, computed on the basis of the present price of farm commodities, is now 13.5 per cent; and if the rate is taken at 8 per cent, the farmer must now pay 18.5 per cent interest.

What has happened to agriculture in the way of paying debts at the present level of commodity prices is graphically told in the subjoined table. The Bureau of Agricultural Economics of the United States Department of Agriculture is authority for the statement that the farm barometer in January stood at 66. Comparing to-day's farm prices with the former price index, the table below shows in terms of what the farmer has to sell just how much he has to pay in the way of farm crops for each dollar borrowed during each of the years indicated in the table.

[Department of Agriculture statistics. Other figures from Yearbook]

Index	Year	Equivalent payments required to-day
117	1930	$1.77
133	1929	2.02
137	1928	2.08
138	1927	2.09
129	1926	1.96
143	1925	2.17
142	1924	2.15
132	1923	2.00
130	1922	1.97
119	1921	1.80
152	1920	2.30
220	1919	3.33
203	1918	3.08
192	1917	2.91
146	1916	2.25

This table indicates the average for the past 15 years required that the farmer must give the equivalent of $2.25½ for every dollar borrowed when forced to pay at to-day's price level.

In other words, 6 per cent interest is equivalent to 13.5; 7 per cent interest is equivalent to 15.75; 8 per cent interest is equivalent to 18.8. This is an impossible situation.

The commodity price level must be raised to approximately the same level upon which our debts were contracted. Unfortunately the banker to whom we pay our money receives no benefit from the fact that we must give him more than $2, measured by commodities, for every dollar borrowed. What we must do is to raise the price level through restoring the volume of currency or else face disaster.

Mr. President, I have contended from the very inception of this session of the Congress that the fundamental thing that is wrong in this country to-day is the contraction of debt and the contraction of our currency, and that the one

way in which this could be met is to have a sufficient inflation of our currency and our credit to place them back in approximately the position where we were in the year 1926. When the Senator from Pennsylvania [Mr. REED] was speaking the other day he spoke of honest dollars; and he intimated that if we raise the price of commodities, if we had an inflation sufficient to raise commodity prices to the level of 1926, we would have a dishonest dollar in this country. I submit, Mr. President, that the bill which I introduced some time ago for the remonetization of silver so as to increase primary money, not only of this country but throughout the world, would do more than any piece of legislation which has thus far been advanced in this Congress to bring back the commodity price levels of products throughout the United States. Some one has said that the Government of the United States would not be able to remonetize silver by itself; but let me invite the attention of those who are at all doubtful about the situation to the fact that if this country itself should, independently of any other country in the world, remonetize silver we would immediately take from Great Britain all of her trade in the Orient, in China and in India, and in the rest of the Orient. It would immediately force Great Britain, which is now off the gold standard, to a bimetallic standard in order to hold her trade. I doubt if there is any economist in the United States or in the world to-day who would contend for one moment that Great Britain and her colonies, together with the United States of America, could not maintain bimetallism and that it would not be beneficial to the people of this country and to the people generally throughout the world.

Some Members of the Senate will recall that when we had before us the so-called Glass-Steagall bill, sponsored by the administration, and the junior Senator from Connecticut [Mr. WALCOTT] was speaking in favor of the bill, I asked him the question, "Will the Senator please tell me how it is possible for this bill or any provision in the bill to raise the commodity price level of products that have to be sold upon the world markets?" The Senator at that time answered in substance that if the bill is enacted into law and is put upon the statute books of the United States of America, we would soon become a gold Gibraltar, smoke would soon be coming out of the chimneys, the railroads would be busy, and the price of farm commodities would then rise.

I said then and I say again that not a solitary thing we have done since the Congress of the United States has convened in this session has been with the view to raising or at least it has not raised the commodity-price level of products that have to be sold upon the world market. We have seen the President come forward and issue a statement saying that immediately, if the moratorium was passed, immediately if the Reconstruction Finance Corporation bill was passed, immediately if the Glass-Steagall bill was passed, and immediately if this or that piece of legislation was passed, then prosperity would return and commodity-price levels would immediately rise.

It seems to me that any economist who had ever studied the fundamentals of economy in any high school in the United States of America ought to know better than to say that we could raise the commodity-price level of products that have to be sold upon the world market either by passing the Glass-Steagall bill or the Reconstruction Finance Corporation bill or any single piece of legislation that has been advocated at this session of Congress. Yet we see men rising in the Senate of the United States, as did the Senator from Pennsylvania [Mr. REED], and saying what we need in this country is a Mussolini, and on another occasion saying that unless we do this or that we will have no Government in the United States. But I say that if we do not have any Government in the United States it will be because of the stupidity of the leadership of the Republican Party and those in control of the Congress of the United States of America.

It has been suggested to me sotto voce that I should not overlook the Democrats, and I agree that it is regrettable—it is exceedingly regrettable to me—to find that on this side of the Chamber as well as on the other side of the Chamber there has not been any legislation advanced for the purpose of doing anything to bring up the commodity price level of products that have to be sold on the world market. It is perfectly absurd, it seems to me, to think that putting out a little bit more money to the railroads of the country, while it might have been necessary to stop them from going into the hands of receivers; putting a little more money into the banks of the country, while we might have stopped some banks from going broke, would justify anyone in saying that prosperity can return in this country until the farmer can get enough for his products so his purchasing power is restored, so he can pay off the indebtedness which he owes.

Let me quote a statement from Mr. Arthur Brisbane, written in all the Hearst papers and carried in the Washington Herald of May 15. No one, I am sure, will contend that Mr. Brisbane is anything but a conservative of conservatives, and yet he said:

> President Hoover reminds Congress that the National Government can use "emergency powers" now as in war.
>
> There is no lack of power in the Federal Government, and the President, with the Russian Czar and Turkish Sultan thrown into time's wastebasket, is the most powerful ruler on earth.
>
> The thing is to decide what ought to be done and then do it.

The trouble is that our great engineer at the other end of the Avenue has decided a dozen different times in a dozen different ways about the situation. He sent here to the Congress of the United States some remedy which he said was immediately going to restore confidence and immediately raise commodity prices, immediately going to start the smoke coming out of the chimneys and bring back prosperity, if you please. I think the most serious charge that can be made against the President of the United States of America is that from the very beginning of this depression never once has he visualized what the real situation was in the United States. Consequently, never having visualized what the trouble was in the United States, he never was able to send to the Congress a measure containing a constructive proposal for the relief of the present situation.

Let me invite attention to a fact that has been so often repeated, that in 1929 this great engineer said, "Prosperity is just around the corner," and that we were going to "have prosperity soon." Again he said prosperity would be back again in 60 days. Then he issued another and still another statement, and each time that he issued a statement the prices of commodities dropped throughout the country. Not only did the prices of commodities drop, but the prices upon the stock market, after being boomed a few days, would again sag down. Here we are about to close this session of Congress and the only thing we hear from the White House is to the effect that we must balance the Budget. That has become the President's latest cry.

Mr. Brisbane stated further:

> We know three things that are needed—confidence, money, and employment.

How are we going to get confidence, how can we expect the people to have confidence in the United States or in their President and their Congress, when the President of the United States and our leading business men and our leading statesmen on the other side of the Chamber are constantly saying that "prosperity is just around the corner," and then the people discovering that they have been misled? How can we expect to have confidence in this country when we have a man in the White House who has not at any time visualized in this whole depression what was wrong with the country and has not had the temerity to come to Congress and tell the Congress of the United States how to remedy it if he did visualize it? I think the trouble is that he never has visualized the true condition.

Mr. Brisbane continued:

> We know three things that are needed—confidence, money, and employment.
>
> The Government has power to provide all three.
>
> It could print the money needed and, with the name United States of America on it, that would be the best money in the world.

The other day the senior Senator from Pennsylvania [Mr. REED], in speaking of silver, called attention to the fact that practically all the bonds of the United States of America are payable in gold and said that all of the mortgages are payable in gold. But let me call attention to the fact that we have a lot of money in this country to-day that is not backed up by gold. We have silver certificates which, as a matter of fact, are really worth to-day about 30 cents on the dollar.

When a bond is to be paid, if silver certificates are offered, does anyone question whether he should take them? Not at all. Does anyone to-day hesitate in payment of a gold bond to take greenbacks which were issued many years ago? Not at all, Mr. President; and if we should remonetize silver, no one would for one second hesitate to take silver just so long as he knew the Government of the United States was back of the currency it issued. If silver were remonetized, however, we would have more primary money in this country. It would immediately increase the purchasing power of the Orient; it would increase the purchasing power of India; it would increase the purchasing power of China; it would increase the purchasing power of Mexico; it would increase the purchasing power of the Central and South American countries, and they would then be in a position to buy from us automobiles and other commodities. It would do more for the automobile industry than anything that could possibly happen. It would start the wheels of industry in this country as nothing else would start them, if we had the courage and if we had somebody at the other end of the Avenue who had the courage to take a stand with reference to this question.

Mr. Brisbane suggests:

It could print the money needed, and with the name "United States of America" on it, that would be the best money in the world.

Do you doubt it? You would take any plain piece of paper marked "I O U $100,000,000, John D. Rockefeller," and you would not discount it by as much as an eighth of 1 per cent, if you were sure of the signature. The world will take Uncle Sam's I O U up to ten billions and twice that.

When we are talking about the gold standard and the necessity of having gold with which to pay debts, let me call attention to the fact that the debts of the farmers of this country alone are equal to more than all the gold in the world; there is not gold enough in the world to-day to more than pay the indebtedness of the farmers of this country alone.

The difficulty is that our financial powers are accustomed to get their rake-off, in the way of commission and interest, on any money that the Government creates. The financial powers are also the Government, since they control it.

Is there any Senator on the floor of the Senate to-day who doubts the statement made by Mr. Brisbane?

They will not allow Uncle Sam to use his credit except through money lent by them; and if they happen not to have it, or if they are frightened to death, as at present, and can not or will not supply what is needed, except on usurious terms, they will not let the Government operate free of their financial tutelage.

The President would exercise "emergency powers" wisely if he would simply say, "What money the Government needs, it will print and use, without permission from financial small fry that are creatures of Government power." If that be inflation, make the most of it. But please note that payment with money thus issued will be legal payment of any obligation within the boundaries of the United States.

In war, the emergency calls for men; their blood and their lives. The Government did not hesitate to take 3,000,000 men, ship them 3,000 miles, pay them next to nothing, and require risk of life from all of them. The protests of mothers did not count. It was an emergency.

This is an emergency in which cash is needed. Why must the Government now pay more attention to some asinine financier, afraid of losing profits, than it pays in war time to a mother, afraid of losing her son?

The explanation and the fact is that our Government is a financial enterprise, controlled by financiers. We have not had a President to resist that financial power since Andrew Jackson.

Congress proposes to investigate silver and discover what is the matter with it. The President is said to approve if gold is included in the investigation.

This country, a great silver producer, fights to knock down all silver's price in favor of gold, produced in America on a very small scale. The amount of silver produced the world over for many years past has averaged less than thirteen times the amount, weight for weight, of gold produced. But gold, instead of selling at twelve, or twenty times the price of silver, sells at more than sixty times the price of silver. And of eighteen hundred million human beings on earth, sixteen hundred millions have practically no gold.

Why does gold sell for a price sixty times greater than that of silver? It is because of the fact that the governments of the world fix the price of gold but do not fix the price of silver.

Just what they are to use "for money," in buying from us, seems a problem. The British have dropped the gold standard and are prospering. We hang to it desperately, as though our only possession were our few pitiful billions of gold, and you know what is happening to us. You know, also, what is happening to our gold. Europe, France especially, draws it out of our vaults at the rate of ten and twenty millions a day.

Uncle Sam is like an old Fafnir, with a thousand leeches sucking his golden blood.

So, Mr. President, I am sure we are going to conclude this session of Congress without enacting any legislation that would really accomplish anything to enhance the price levels of the commodities the farmer produces. Is it any wonder that people are clamoring at the doors of Congress asking for a tariff upon this and a tariff upon that, asking that we put a tariff wall around this country to shut ourselves in, asking for relief of all kinds, when we have not the courage to face the real problem which confronts the country? Is it any wonder that groups of farmers are coming here and groups of this kind and groups of that kind and groups of the other kind and making their demands? There is a hysteria in this country just now as much as there was during the war; there is a hysteria because of the fact that the Congress of the United States has not the intestinal stamina to meet the situation that faces the country and seek to remedy it. It is because, Mr. President—and I dislike to say it—that a few men in the city of New York who have controlled this Government, who have controlled our finances, and to whom we have looked as the only ones who had any wisdom and any understanding of the financial problems of the Nation and of the world are dictating the financial policies of our Government at this time. Have we not the courage or have we not the ability in the face of their opposition to remedy the situation? Senators stand on the floor of this body and say "This Government is going to be destroyed; we need a Mussolini." We do not need a Mussolini in this country, Mr. President, and this Government of ours is going to endure. I am not a pessimist; I say to you, Mr. President, that the people of the United States will never stand for a Mussolini, but sooner or later they are going to wake up and are going to demand that their timid representatives in Congress and in the Senate and their President remedy the situation in the way that it should be remedied and, in my judgment, in the only way that it can be remedied.

Let me call attention, Mr. President, to a letter which I have received from the cashier of the First National Bank of Roxton, Tex., dated January 26. He says:

We have read the newspaper extracts from your speech on the money-and-debt question made in the Senate yesterday. Your utterance was a great one. It was the first public utterance that I have noticed that really touched the vital spot of the trouble. You say that people must be allowed to "pay their debts in the same kind of money, the same unit value, that they were made in." That is the crux of the whole thing. It is the mountains of cheap-dollar debts—debts made on the smaller war-induced units of money—all the billions and billions of national, international, and especially private debts made up to 1920 on the smaller units of money that the world is now trying to be forced to pay in the biggest dollars and pounds in all history that is ruining the world.

The effort to deliver double and quadruple has absorbed and is absorbing all the purchasing power of the people; for a lack of consumption values have fallen, business has stopped, and pandemonium is about to break loose. There are not five men in a million that yet know what is the matter. * * * An impossibility has been tried. Debts—doubled and quadrupled debts—are eating up all the consuming power while goods stack up, prices fall, factories stop; while the very people who have produced all the food and clothing are now hungry and cold.

Mr. President, is it any wonder that European governments are knocking at our door asking us for moratoria, saying that they can not pay? Of course they can not pay. Is there anybody so absurdly silly or foolish as to think that

with present world commodity prices the governments of Europe can pay us? Is there any Senator so silly as to think for one second that the farmers of this country can pay the indebtedness which they owe with the prices of corn and wheat and cotton where they are today?

I say to you, Mr. President, I say to Senators in this body, that unless Congress raises the commodity price level of farm products, one of two things is going to happen—we are either going to have general bankruptcy in this country or we are going to have a general repudiation of all farm indebtedness and of practically all other indebtedness throughout this Nation and throughout the world. Senators can take one horn of the dilemma or the other; but there has either got to be a complete repudiation of indebtedness throughout the world or else the other thing will have to be done, and that is to raise commodity price levels; that has got to be done, and it has got to be done very quckly.

I know, Mr. President, very well what the scheme of things is at the present time. I appreciate that the word has gone out from the financiers of Wall Street, and I know who is back of the movement. I know that finally many of them have now come to the conclusion that something has got to be done to raise commodity price levels. I appreciate that the administration is now carrying out their policy in having the Federal Reserve Board buy Government bonds at the rate of $100,000,000 a week; but I say, with the Senator from Virginia [Mr. GLASS], that I am unable to see how it is possible by buying Government bonds from the banks to raise the price levels of products that have to be sold upon the world market, unless the process is carried to such an extent as to take us completely off the gold standard. I do not think, Mr. President, that anybody who has given any thought or any study to the subject will for one minute challenge that statement. We might have arrested the depression in 1929 by buying Government bonds in the open market as the Federal Reserve Board is doing now. We might have helped materially in 1930 or 1931, but why, if it is a good thing now, was it not done before everyone had lost confidence and become hysterical to the extent of thinking we were going to ruin overnight? Why did not the President have the Reserve Board use the powers to buy Government bonds in the open market in 1929, 1930, and 1931? Why? Because he and his advisers thought prosperity was just around the corner. They never visualized the real situation, and I sometimes doubt they do to-day:

The cashier of this bank goes on to say:

> That effort after the war to shove back to the pre-war standard was the economic error of the ages. No such harebrained thing was ever attempted on such a scale before. Of course, the same trick had been worked in some nations after other wars, but this war was so big that the trick would not work. It is swamping the world.

I called attention upon the floor of the Senate in the speech that I made with reference to my bill some time ago to how during the war we had this tremendous inflation of credit—credit upon credit—and practically all the countries of the world went off the gold standard. Then I called attention to how the great financial interests, the international bankers, met at Basel, and at some other city in Europe that slips my memory at the present time, and sought to drive all the countries back upon the gold standard, and they did it. We loaned gold to Germany in order to put Germany back on the gold standard. These international bankers went in and put practically every great country upon the gold standard. We not only loaned Germany money to put her back upon the gold standard, but we canceled part of her indebtedness so as to make it possible for her to go back on the gold standard. Yet because of the fact that commerce and trade and debts had piled up throughout the world to such an enormous extent, it was impossible for these countries to stay upon the gold standard, and finally England, after going back, had to get off the gold standard again. The greatest, strongest power of all the powers in the world, with the exception of the United States, could not stay on the gold standard; and yet the little group of international bankers who absolutely dominate and control the finances of this country will not let us do and the Congress and the President of the United States do not dare to do the thing that is necessary to be done in order to bring up the price of commodities and bring back prosperity in this country.

Talk about fiddling while Rome burns. Talk about needing a Mussolini. We do not need a Mussolini to control the workingmen and the farmers of this country, but we need somebody at the other end of the Avenue who has the intestinal stamina to defy the little handful of international bankers who have brought this country to the very brink of ruin.

The cashier of this bank goes on to say:

> The people are watching Washington, watching for a sign—a sign that there is going to be a change of policy, that there is going to be a reversal of the policy that has ruined the world. They have not seen much signs of that sign until they read your speech. Now hope begins to rise—

And so forth. He says further:

> If there is not a reversal, if something is not done to put more dollar value into things, there can be no revival of business.

This is only one of hundreds upon hundreds of letters that I have received from little bankers and from various economists throughout the country pointing out the necessity of doing something with reference to the remonetization of silver.

Here is the chairman of the Finance Committee of the Senate, the most powerful committee in the United States Senate and the most powerful committee in the Congress of the United States, a man who I know is interested in and believes that the remonetization of silver would be beneficial to this country, yet, Mr. President, my bill is before his committee, and——

Mr. SMOOT. Mr. President, the Banking and Currency Committee is considering the silver bills.

Mr. WHEELER. I beg the Senator's pardon; my bill is before the Finance Committee.

Mr. SMOOT. The Banking and Currency Committee have had all the other bills.

Mr. WHEELER. My bill is before the Finance Committee. The Senator from Utah is the chairman of the committee—the most powerful committee of the Senate. Statements have been carried in the press of this country to the effect that the distinguished chairman of the Finance Committee is in favor of the remonetization of silver. Not only that, but the chairman of the Banking and Currency Committee, the distinguished Senator from South Dakota [Mr. NORBECK], has recently issued a statement to the effect that he is in favor of the remonetization of silver. Not only that, but many other distinguished Republicans on the other side, and many distinguished Democrats in this body, have said that they are in favor of the remonetization of silver, and believe that it is a thing that should be done in order to bring back the commodity price level of those things that have to be sold upon the world market, and in order to start the wheels of industry and to increase the purchasing power, as I said a moment ago, of all of the South American and Latin-American countries.

The fact that we are on the gold standard and the other countries are off the gold standard, is the thing that makes it possible for the African companies to ship their copper to this country and lay it down in New Jersey for 5 cents a pound. That is one of the reasons, my friends, why these people from Arizona are here clamoring for a tariff upon copper. It is the reason why all of the other peoples, all over the United States, are coming here clamoring for relief of this sort and of that sort. It is because Congress has not dared to fly in the face of this little group of international bankers, and do its duty to the people of this country.

In conclusion, Mr. President, I ask to have inserted in the RECORD a petition signed by numerous people in favor of my bill and for the remonetization of silver.

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

> We, the undersigned citizens of Roosevelt County, Mont., believing that agriculture is one of our basic industries and that the economic security of our Nation is dependent upon the economic

security of the American farm, favor such legislation as will provide for the solvency of the American farmer.

We believe that the only way out of the present depression is to raise commodity prices and thereby reduce the burden of debt. Under the present gold standard debts contracted three years ago, if paid this year, would require three times the amount in farm commodities as when they were contracted. All of the important countries of the world have gone off the gold standard; it is therefore impossible for us to trade with them. This keeps commodity prices down.

We feel that if prosperity is to return to this country, we must go off the gold standard, which is the cause for most of our economic ills.

We therefore respectfully petition the Senate of the United States of America to pass the Wheeler silver bill, S. 2487, which provides for the remonetization of silver by providing for the free coinage of silver as well as gold at the fixed ratio of 16 to 1.

S. D. Gleason, O. Jaumotte, Albert Jaumotte, J. Jaumotte, Bernard McCormick, Neville Bemer, Robert Payne, Jack Brese, John Green, Conrad Green, Geo. H. Green, Jacob Green, jr., Alex Forsyth, J. Craigie, Lewis W. Kuehnle, T. C. Reyness, Frank Mattilin, Allen Hess, Amelia Green, Meade Steele, Medicin Crow, Mrs. A. F. Gleason, V. E. Albert, H. C. Albert, A. O. Mashuf, H. B. Winslow, Mary Lewis, Eva Jenkins, Bill Fehrs, Homer Lewis, Alvena Fehrs, Myrtle Collins, J. L. Hodges, Ellsie Hodges, Andy Cain, Maggie Cain, Beatrice Henneberry, C. A. Birch, Lee M. Birch, Dan Birch, Helen Lewis, Elmer Foss, Dorothy K. Foss, Karl Hansen, Roger Hansen, Laura Foss, C. A. Foss, Ralph Hagen, Fred Talksdorf, Anna Talksdorf, H. J. Talksdorf, Paul Patch, Katharine Schmitz, John Noehl, J. W. Murphy, Roy C. Powell, Grace Powell, Edna Snedigar, Oved W. Snedigar, F. N. Snedigar, Leona Snedigar, Isaac Ruggles, Mary Ruggles, F. O. Golphence, Pearl Golphence, H. D. Stiles, Lulu G. Stiles, W. E. Buckallen, Mabel Buckallen, Murl Stiles, Frank Svoboda, Anton Svoboda, Mrs. Frank Svoboda, Bailey Fisher, Mrs. W. R. Ralston, W. R. Ralston, Mrs. Kenneth Ralston, I. K. Ralston, Otto Storm, Herman J. Storm, Reuben Feather Ewing, Lucian Walking Eagle, Ole C. Olesen, Alex Miller, D. L. Miller, Merry M. Dahlberg, Oscar Dahlberg, Mrs. Oscar Dahlberg, Chas. A. Prior, Mrs. Jas. Craigie, A. Hartry, Arne M. Olson, Mrs. Arne M. Olson, Mrs. Anna Kuehnle, Mrs. James B. Byrne, L. A. Storm, R. E. Albert, L. A. Alvin, Ethel Alvin, Luella Jelden, Luke Jelden, Charlie Bradford, Oscar Labadie, Margaret Labadie, Peter Fehrs, Ole Smith, Elva Lewis, J. O. Jenkins, John A. Collins, Rice Jenkins, Mrs. Ole Smith, H. S. Hinz, Mrs. H. S. Hinz, Mrs. Ernest Seegash, Ernest Seegash, Herman Fehrs, Joe L. Schmitz, Anna Schmitz, G. W. Ledford, Lizzie Ledford, Howard Sheehan, Ora Sheehan, Matt Lowe, W. M. Schow, Myrtle Lowe, J. S. Snedigar, Ollie Snedigar, Barbara Vincent, Frank Vincent, T. C. Yadon, J. S. Yadon, Mrs. J. S. Yadon, Mrs. T. C. Yadon, A. F. Buckallen, Josie Buckallen, Wm. M. Ralston, Mrs. Wm. M. Ralston, Lars Larson, C. H. Schwaz, O. C. O. Lien, Alvin O. Lien, Mary Brown, Hans Lien, Marie Lien, E. T. Lynd, Mrs. E. A. Lynd, and Miss Zona Lynd.

Mr. HAWES. Mr. President, I desire to withdraw my substitute for the amendment of the Senator from Minnesota [Mr. SHIPSTEAD]. There seems to me some uncertainty about it; and I ask that the amendment which I send to the desk may take its place.

The PRESIDENT pro tempore. Without objection, the amendment in the nature of a substitute heretofore offered by the Senator from Missouri is withdrawn, and in its place the Senator from Missouri offers the amendment which will be stated by the clerk.

The CHIEF CLERK. Strike out all of line 1 after the word "copra" down to and including the word "Islands," in line 2.

Strike out all of line 7 after the word "oil" down to and including the word "countries," in line 8.

On page 2, after line 7, add a new paragraph to read as follows:

(12) None of the taxes herein described in paragraphs (9), (10), and (11) shall apply to any articles imported from the Philippine Islands or other possessions of the United States.

Mr. HAWES. That amendment simply excludes the Philippine Islands and our other colonial possessions from the amendment of the Senator from Minnesota.

The PRESIDENT pro tempore. The question is on the amendment proposed by the Senator from Missouri to the amendment proposed by the Senator from Minnesota [Mr. SHIPSTEAD].

Mr. KING. Mr. President, I hope there will be no necessity of voting upon the amendment offered by the senior Senator from Missouri [Mr. HAWES]

Of course I understand that under the parliamentary procedure, this amendment calls for a vote in advance of a vote on the amendment offered by the Senator from Minnesota; but it does seem to me that under the circumstances and the conditions that confront us at this time the amendment of the Senator from Minnesota, regardless of its merits, attributing to it all of the virtues for which he contends, is inopportune and ought to be withdrawn, or promptly defeated.

We are discussing a tax bill, not a tariff bill, and further efforts to convert it into a tariff bill should meet with no support. It is obvious that if demands are made and acceded to for additional tariffs on commodities, Congress will be in session for weeks and perhaps months. It is vital that a revenue bill be enacted at the earliest possible date. The financial situation demands prompt action by Congress, and we will be derelict in our duty if we consume days and weeks in considering demands for tariff increases.

If we are to break down the barriers and introduce into this bill amendments dealing with a multitude of products, we might just as well label it a tariff bill and abandon the objective of enacting a sound and proper revenue measure.

If a tariff bill was being considered, the amendment of the Senator from Minnesota would be germane and relevant and the appropriate committees of the House and Senate would have conducted hearings and obtained data bearing upon the matter. When the Smoot-Hawley bill was under consideration the question of tariff upon oils of various kinds was the subject of extensive hearings and produced prolonged debates both in the House and Senate. Tariff laws are not like the laws of the Medes and Persians. They are subject to frequent changes. The tariff acts such as the Fordney-McCumber, Payne-Aldrich, McKinley, and Dingley laws served the purposes of the public for a limited time. The Hawley Act will soon be modified, and when measures are offered for the purpose of increasing or reducing rates the Senator's proposition can then be considered. Transitions occur economically and politically, and economic and industrial conditions of to-day will not be existent to-morrow. Tariff schedules that are applicable to-day may be inapplicable within a short time.

The Smoot-Hawley law is not a fixity. While it is a chain that binds and restricts, it will not indefinitely continue. The people will not complacently submit to tariff barriers, which are in part responsible for the economic depression now existing. There will be a revolt against them, and the stream of international trade will carry our products to all lands. There will be changes in the schedules of the Smoot-Hawley tariff bill within the next few years. Why, then, enter upon the task of repealing and modifying provisions of that law at this hour, when a revenue bill must quickly be passed? Why now, within two years after the passage of a tariff bill that provoked discussion for a year and a half, inject tariff questions into this tax bill?

So it seems to me, Mr. President, that whether we are advocates of prohibitive tariffs or of moderate tariffs, we should pretermit the consideration of tariff questions until some later time.

Aside from the general considerations to which I have so imperfectly alluded, it seems to me unfair to single out, as this amendment does, the Philippine Islands, for approximately 95 per cent of the commodities against which the amendment is aimed comes from the Philippine Islands. Why aim at them and some of their products?

The United States took them under its ægis against their will. We superimposed upon them, I was about to say by fire and sword, certainly by bayonet and cannon and military force, an alien rule. Are we to hold them as colonial possessions, denying to them the rights which should be accorded those who are under the flag of our country? Are we to conquer peoples in distant lands, and hold them for exploitation, for material gain? If they are under this flag they should not be treated as aliens, and subject to tariff laws that will embargo their products.

Mr. President, to me it is indefensible to hold alien peoples under the flag and deny to them the rights and privileges

guaranteed by the Constitution. If they are to be held as colonies for exploitation, then we fail to understand the spirit of this Republic, and are strangers to the political concepts upon which this Nation rests.

Even Great Britain accords to her colonial possessions greater rights than many Americans are willing to concede to the conquered Filipino race. Rome gave to her conquered provinces liberal government, I was about to say independence, certainly local self-government, autonomy in the highest degree, and many of the citizens of her provinces were known as Roman citizens.

The Apostle Paul claimed the right of a Roman citizen when arraigned before the provincial tribunal, and his case was referred to Rome for adjudication.

Are we to keep the Filipinos in a condition of vassalage? Are we to deny them rights which the Constitution gives to them? We forced upon them free trade, so far as the United States is concerned, against their will, and now, after they have adjusted their economic condition to the legislation thus forced upon them, the proposition is made that they shall be treated as aliens living upon alien soil, and be subject to such tariff restrictions as may be demanded by American citizens or selfish corporate or individual interests.

Some greedy Americans have gone to the Philippine Islands for the purpose of acquiring lands and developing an industrial condition, not for the benefit of the Filipinos, but for the benefit of American capitalists. I fear that there has been a measure of imperialism in the United States that has tainted our contacts with alien people. We superimposed upon Haiti a military rule. By force we changed her constitution, which forbade aliens from acquiring territory, because the Haitians knew that with their limited acreage, and with their rather large population, if foreigners acquired territory there, the people of Haiti would become vassals and peons.

Mr. President, our duty with respect to the Filipinos is plain. Instead of passing tariff laws to increase their burdens, to shut out their products from our land, if we are to legislate at all, let us give them their freedom. They covet it. They have been demanding it for years, and they will never be satisfied until they are completely emancipated from the authority and control of the United States. The statement is often made that the Filipinos are guilty of ingratitude because they demand their freedom and their right to a government of their own choice. Some Americans insist that the Filipinos should accept without complaint whatever form of government may be imposed upon them by the United States; that they should have no aspirations for independence, but should be content to remain indefinitely under our flag, but without the Constitution, and subject to the uncontrolled will of Congress.

Mr. President, the Filipinos won their liberty from Spain and set up a government republican in form. Admiral Dewey stated that they were more competent to govern themselves and to maintain an independent government than were the people of Cuba. Why should the aspirations of the Filipinos be stifled and impediments thrown in their way of achieving that liberty which brave and heroic men and women everywhere desire to enjoy? Of course, it is no easy task to set up and maintain in the conditions now prevailing in the world an independent government, but the right of self-determination is an established doctrine and accepted by liberal-minded people throughout the world. Latin-America has many states whose area is less and whose population is smaller than that of the Philippine Islands. We do not contend that the people of Costa Rica or San Salvador or Panama or other Latin American states, because of the lack of resources or the limited number of their inhabitants, should be denied the right to govern themselves. The love of independence and of liberty is inherent in man. The Filipinos have given many evidences of their virile qualities; of their courage and of their capacity to work out their own salvation politically and economically. It is true that they will experience vicissitudes and difficulties in establishing and maintaining an independent government. The same can be said of most governments that have been established. Small states with few inhabitants have oftentimes risen to great heights of power and glory. Their very weakness has often been a source of strength.

Nations do not spring full-panoplied from the brow of some puissant Jove; they are subject to evolutionary laws which find expression in the political and economic lives of communities and nations. The law of social evolution, as Spencer has shown, finds application in society and in states.

The Philippine Islands possess great natural resources and a homogeneous people, united in their desire for independence and certain of their ability to organize and maintain a stable and progressive government—one that will take its place among the advanced and progressive nations of the earth. Perhaps there is no true basis of comparison between the American colonists and the establishment of this Republic, and the Filipinos and their aspirations for liberty. Nevertheless there may be some analogies that may not be overlooked. The American colonists in the main were of English descent; they carried with them to the new world the customs and religion and culture and laws of Great Britain. However, they were not satisfied to remain colonies under the control of those to whom they were bound by so many ties. Need we wonder that an alien race, differing from us in language, culture, and laws, should desire to be free from the domination of this Nation.

Can we criticize the Filipinos for desiring independence, desiring to have their own flag, which they may salute as we salute the Stars and Stripes of this Republic?

Mr. President, it were better to have a free and independent nation there under their own flag, working out their own destiny, than to have the irritating conditions which exist and will continue to exist so long as the Filipinos are under the domination of the United States.

Why not give them their independence? Passing measures such as suggested by the senior Senator from Minnesota [Mr. SHIPSTEAD] will arouse indignation, ill will, and be provocative of unrest and disturbing currents. It will arouse in the hearts of the Filipinos a determination to continue the contest until their aspirations for independence shall have been realized.

If we want to deal with this question of tariffs, we can do it in a short way. Give the Filipinos their independence, pass a measure that has been pending from the beginning of this Congress, and textually the same measure was introduced in preceding Congresses. Under this measure within three years they will be wholly independent. They will have ample opportunity to hold a convention, and to adopt a constitution republican in form, as it will be. They will have ample opportunity to select officers of their own choice, and, after that has been done, and the facts certified to the President of the United States that they have a republican form of Government and officers selected pursuant to their constitution, then the President by proclamation will declare that they are free and independent, and will notify other nations of that fact. Under this plan the Filipino Republic will embark upon the international sea competent, I believe, to battle with the elements, and to win its way as other nations and other peoples have won their way, from a lowly condition in the economic and political field of life to the summit of great achievement.

When the Philippine Islands are praying for independence, when they are looking for some legislation favorable to their aspirations, let us not give them a stone instead of bread. Let us indicate to them that we desire their happiness and their welfare, and that we will at the earliest possible moment give to them their independence and bid them Godspeed in the long and perhaps hard race before them.

If, however, we are to vote upon the amendment of the Senator from Minnesota, then we should adopt the substitute offered by the Senator from Missouri, and exclude from the operations of the amendment the products of the Philippine Islands. But my friend from Minnesota must know that he would have a Pyrrhic victory. If the amendment

offered by the Senator from Missouri shall be adopted, the Senator from Minnesota will have the mere shell; he will not have the substance of what he seeks to hold within his grasp.

Mr. President, let us do justice to the Filipinos. Let us vote down this amendment, and at the same time indirectly declare that we are for the independence of the Filipinos, that we will deal justly by them, that we will withdraw the sovereignty of the United States, and aid them in their great adventure upon the international sea.

Mr. TYDINGS. Mr. President, I am going to take just enough time to read a very short editorial from the New York Herald Tribune of May 24, 1932, entitled "Senatorial Gamblers." The editorial is as follows:

The fact that the emergency revenue measure is no place for tariff legislation becomes more apparent every day. The logrolling coalition of Senators of both parties which in the Finance Committee was able to write embargoes on coal, oil, copper, and lumber into the tax bill has succeeded in winning the support of the Chamber to their proposals—but at what a price! The tax bill, designed for the sole purpose of balancing the Budget—a vital necessity in the present emergency—becomes now the sport of sectional and group interests and subject to heaven knows what amendments and delays. Every harpy on the national roster is poised above this essential legislation ready to claim its share of the privileges dispensed. Instead of a tax measure we have a pork barrel; instead of prompt action to balance the Budget, a country languishing for this imperative corrective must sit by in misery while its parochial representatives fight over the national carcass.

For it is a carcass, or will be unless our Senators come to their senses and renounce this effort to destroy the whole for the sake of the parts. The protagonists of the present tariff schedules in the tax bill have a notion that they can confine its special favors to those already incorporated and put the bill over before the end of the fiscal year. Possibly they are right, but we believe that they have endangered the whole reconstruction program, that they have invited a legislative quarrel not unlikely to last all summer and that their only patriotic course is to withdraw their extraneous riders and pass the tax bill as a tax bill.

The situation calls for honest legislators, not gamblers for political advantage at the risk of the country's future.

Mr. President, this paper, which we all know to be a stanch and stalwart Republican journal, has risen above taking partisan advantage at this time. Perhaps it might be conceded, if these tariff items were put into a tariff bill, that many of them would receive the support of the Herald Tribune; but the Herald Tribune has risen above mere partisan considerations, and, in this splendid editorial, which so clearly sets forth the facts, calls upon those who have the responsibility for this legislation to withdraw the tariff items and pass a tax bill. I tender this editorial with a great deal of pleasure at its nonpartisan vein.

Mr. SHIPSTEAD. Mr. President, I want to repeat what I said this morning, that I agree with the sentiment that has been expressed as to the Filipinos and Filipino freedom. I am for the freedom of the Philippines. I was for it before we ever went into the Philippines.

Filipino freedom, however, has nothing to do with the pending measure. Permitting capital—European and American—to exploit the farmers for another 15 years is at stake here, permitting American and European capital invested in the Philippines to exploit the farmers of the United States through the privileges capital enjoys by having the products raised in the Philippines brought in here and sold in competition with butter.

That is what is at stake here. That is the issue. This is not going to reduce the imports from the Philippine Islands. The Philippine Islands will still have a monopoly of the coconut oil imported into the United States. That oil will come here in as large quantities as before. The only difference it will make will be that the soap interests will have to pay a higher price than they are now paying. It has been pointed out that they are paying 3½ cents now for the same material for which they used to pay 17 cents, and yet they charge the same price for soap now as when the raw materials were selling at 17 cents a pound.

Mr. President, I understand the vote will first come on the amendment of the Senator from Missouri [Mr. HAWES], whose amendment proposes to take out of my amendment all of its effects on the Philippine Islands.

The VICE PRESIDENT. The question is on the amendment of the Senator from Missouri, as modified, to the amendment of the Senator from Minnesota.

Mr. HASTINGS. Let us have the yeas and nays.

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

Mr. THOMAS of Oklahoma (when his name was called). On this question I have a pair with the junior Senator from Maryland [Mr. GOLDSBOROUGH]. Not knowing how he would vote, I withhold my vote. If privileged to vote, I would vote "nay."

Mr. TOWNSEND (when his name was called). I have a general pair with the senior Senator from Tennessee [Mr. MCKELLAR], who is unavoidably detained from the Senate on account of illness. Not knowing how he would vote, I withhold my vote.

The roll call was concluded.

Mr. DAVIS. I have a general pair with the junior Senator from Kentucky [Mr. LOGAN]. In his absence I withhold my vote.

Mr. BARBOUR. On this vote I have a pair with the senior Senator from Alabama [Mr. BLACK]. Not knowing how he would vote, I withhold my vote.

Mr. GLENN. I have a general pair with the junior Senator from Louisiana [Mr. LONG]. Not knowing how he would vote, I withhold my vote.

Mr. JONES. I have a general pair with the senior Senator from Virginia [Mr. SWANSON]. I do not know how he would vote if present. I transfer that pair to the senior Senator from Colorado [Mr. WATERMAN] and vote "yea."

Mr. BYRNES. I have a general pair with the junior Senator from Vermont [Mr. AUSTIN]. Not knowing how he would vote, I withhold my vote.

Mr. HULL. I desire to announce the necessary absence of my colleague the senior Senator from Tennessee [Mr. MCKELLAR] on account of illness.

Mr. SHEPPARD. I wish to announce that the Senator from Illinois [Mr. LEWIS], the Senator from Florida [Mr. TRAMMELL], and the Senator from Kentucky [Mr. LOGAN] are detained on official business.

I also wish to announce that the Senator from Virginia [Mr. SWANSON] and the Senator from Alabama [Mr. BLACK] are necessarily out of the city.

The result was announced—yeas 56, nays 23, as follows:

YEAS—56

Ashurst	Couzens	Kendrick	Reed
Bailey	Cutting	Keyes	Robinson, Ark.
Barkley	Dale	King	Smith
Bingham	Dill	La Follette	Smoot
Blaine	Fletcher	McGill	Steiwer
Bratton	George	McNary	Stephens
Bulkley	Glass	Metcalf	Tydings
Caraway	Gore	Moses	Vandenberg
Carey	Hale	Neely	Wagner
Cohen	Harrison	Norris	Walcott
Connally	Hawes	Nye	Walsh, Mass.
Coolidge	Hayden	Oddie	Walsh, Mont.
Copeland	Hull	Patterson	Wheeler
Costigan	Jones	Pittman	White

NAYS—23

Bankhead	Dickinson	Howell	Sheppard
Borah	Fess	Johnson	Shipstead
Brookhart	Frazier	Kean	Shortridge
Broussard	Hastings	Norbeck	Thomas, Idaho
Bulow	Hatfield	Robinson, Ind.	Watson
Capper	Hebert	Schall	

NOT VOTING—17

Austin	Glenn	McKellar	Trammell
Barbour	Goldsborough	Morrison	Waterman
Black	Lewis	Swanson	
Byrnes	Logan	Thomas, Okla.	
Davis	Long	Townsend	

So Mr. HAWES's amendment in the nature of a substitute for the amendment proposed by Mr. SHIPSTEAD was agreed to.

The VICE PRESIDENT. The question is on the amendment of the Senator from Minnesota as amended.

Mr. BORAH. Mr. President, I want to ask for some information. All reference to the Philippines is now eliminated from the amendment of the Senator from Minnesota. May I ask just what amount of revenue this tax will bring in now?

The VICE PRESIDENT. Will the Senator from Minnesota give his attention?

Mr. SHIPSTEAD. The total amount of revenue estimated, when the provision relating to the Philippines was in the amendment, was about $25,000,000. It is thought that about $11,000,000 was coming from coconut oil, which was the main income from the Philippines. What is left is something that I can not actually estimate.

Mr. BORAH. I think elimination of the Philippines was a wise thing; but, in my opinion, it eliminated the amendment. I do not think there is anything now left of it.

Mr. TYDINGS. Mr. President, I should like to have the attention of the senior Senator from Utah [Mr. SMOOT] for a moment. It is perfectly apparent that we are in the midst of a tariff fight; we have forgotten all about the revenue bill. There are any number of amendments still pending. One of the Senators from North Dakota told me he would feel compelled to offer an amendment increasing the duty on flax. Another Senator has just told me that since we have put the four tariff items in the bill he has about a bushel basket full of telegrams asking for all kinds of protection. I am wondering now whether the Senator from Utah, in the interest of speed, as chairman of the committee charged with the responsibility of passing this purely revenue bill will not rise and ask his colleagues on both sides of the aisle to throw out all these tariff items, so that we on this side of the aisle may give the President the kind of support which we all know he wants at this time. I hope——

Mr. PITTMAN. Mr. President——

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

Mr. TYDINGS. I have not finished. I hope the Senator from Utah will realize that day after day and day after day is being wasted in consideration of purely tariff matters, having no relation whatsoever to revenue-raising purposes. Now that other tariff items have been put in the bill numerous Senators are in their offices preparing amendments. This procedure may continue, as the Herald Tribune has said, away into the heat of summer. I will be glad to follow the Senator from Utah if he will just rise and call upon all of us to show our patriotism and to cast aside all local considerations and to permit the majority of the Democrats on this side of the aisle to vote for speed and to get this measure through. Obviously, the way to do that, in my humble judgment, is to have all these controversial tariff matters out of the bill. May I not ask the Senator from Utah if he is not now ready to make such an appeal to this body?

Mr. ASHURST. Mr. President, I object to the question; I object to the answer. It would consume time unnecessarily, and I hope the Senator from Utah will not waste a minute in such a proceeding. I object to an answer.

Mr. GLASS. Mr. President, may I inquire of the Senator from Arizona as to just what particular part of the answer he objects?

Mr. ASHURST. I object to time being consumed in making any answer. I wish to save all these apologies for this measure. Why all these threats? Offer your amendments, but do not threaten, wasting the time of the public. The newspapers are correct in scandalizing Congress.

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from Minnesota [Mr. SHIPSTEAD] as amended.

Mr. ASHURST. Question! Vote!

The VICE PRESIDENT. On the amendment the yeas and nays have been demanded. Is there a second?

The yeas and nays were ordered.

Mr. TYDINGS. Mr. President, I, of course, am always willing to listen in the best of good humor to the splendid speeches of my friend from Arizona; but I was hoping that he would at least not assume to exercise the prerogatives of the Senator from Utah. I was asking a question, in the best of faith, and hoping the Senator from Utah would at least disclose his position on the matter.

The VICE PRESIDENT. The Secretary will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. BARBOUR (when his name was called). Making the same announcement as to my pair as on the previous vote, I withhold my vote.

Mr. BYRNES (when his name was called). I have a general pair with the junior Senator from Vermont [Mr. AUSTIN]. Not knowing how he would vote, I withhold my vote.

Mr. DAVIS (when his name was called). I have a general pair with the junior Senator from Kentucky [Mr. LOGAN] and therefore withhold my vote.

Mr. JONES (when his name was called). Making the same announcement as before as to my pair and its transfer, I vote "nay."

Mr. McNARY (when his name was called). On this vote I have a pair with the junior Senator from Illinois [Mr. LEWIS], who is temporarily absent from the Chamber. Not knowing how he would vote, I withhold my vote.

Mr. TOWNSEND (when his name was called). I have a general pair with the senior Senator from Tennessee [Mr. McKELLAR], who is unavoidably detained from the Senate on account of illness. Not knowing how he would vote, I withhold my vote.

The roll call was concluded.

Mr. SHEPPARD. I wish to announce that the Senator from Illinois [Mr. LEWIS], the Senator from Florida [Mr. TRAMMELL], and the Senator from Kentucky [Mr. LOGAN] are detained on official business.

I also wish to announce that the Senator from Virginia [Mr. SWANSON] and the Senator from Alabama [Mr. BLACK] are necessarily out of the city.

The result was announced—yeas 33, nays 48, as follows:

YEAS—33

Bailey	Fletcher	Norbeck	Shortridge
Bingham	Frazier	Norris	Steiwer
Brookhart	Hastings	Nye	Thomas, Idaho
Broussard	Hatfield	Oddie	Thomas, Okla.
Bulow	Hebert	Patterson	Walcott
Capper	Howell	Robinson, Ind.	White
Carey	Johnson	Schall	
Connally	Long	Sheppard	
Dale	Metcalf	Shipstead	

NAYS—48

Ashhurst	Couzens	Hawes	Pittman
Bankhead	Cutting	Hayden	Reed
Barkley	Dickinson	Hull	Robinson, Ark.
Blaine	Dill	Jones	Smith
Borah	Fess	Kean	Smoot
Bratton	George	Kendrick	Tydings
Bulkley	Glass	Keyes	Vandenberg
Caraway	Glenn	King	Wagner
Cohen	Goldsborough	La Follette	Walsh, Mass.
Coolidge	Gore	McGill	Walsh, Mont.
Copeland	Hale	Moses	Watson
Costigan	Harrison	Neely	Wheeler

NOT VOTING—15

Austin	Davis	McNary	Townsend
Barbour	Lewis	Morrison	Trammell
Black	Logan	Stephens	Waterman
Byrnes	McKellar	Swanson	

So Mr. SHIPSTEAD's amendment, as amended, was rejected.

Mr. BINGHAM obtained the floor.

Mr. NORBECK. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. NORBECK. Would it be in order at this time to offer an amendment to the butter schedule of the tariff act to come in on page 245 of the pending bill?

The VICE PRESIDENT. The Senator from Connecticut has been recognized to offer an amendment. The amendment of the Senator from South Dakota probably could be offered later if not now. On what page does the Senator desire the amendment to come in?

Mr. NORBECK. On page 245, between lines 10 and 11. I ask that the amendment may be printed in the RECORD at this point. It provides a tax of 8 cents on imports of butter in addition to the present 14 cents per pound duty on butter, oleomargarine, and other substitutes.

The VICE PRESIDENT. Without objection, the amendment will be printed in the usual form, printed in the RECORD, and lie on the table.

The amendment intended to be proposed by Mr. NORBECK is as follows:

On page 245, between lines 10 and 11, insert the following new paragraph:

"(9) Butter, 8 cents per pound; oleomargarine and other butter substitutes, 8 cents per pound. The tax on the articles described in this paragraph shall apply only with respect to the importation of such articles."

Mr. BINGHAM. Mr. President, I send an amendment to the desk. I assume that all Senators are familiar with it. I have changed it from the form in which it is printed by striking out the first two lines because of the action which was taken last night when the committee amendment in regard to automobile trucks was disagreed to and the rate was reduced to 2 per cent, thereby reducing the revenue-producing qualities of the bill by about $2,000,000.

Mr. President, I will not ask to have the amendment read, as I think every Senator knows what is in it, but I will ask that it may be printed in the RECORD at this point.

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

The amendment proposed by Mr. BINGHAM is as follows:

On page 247, line 4, strike out "4 per cent" and insert "2 per cent."

On page 247, line 9, strike out "2 per cent" and insert "1 per cent."

On page 250, strike out all of section 603, "Tax on radio receiving sets, etc."

On page 264, line 19, strike out the balance of the page and all of pages 265, 266, 267, 268, 269, 270, and 271, through line 7.

On page 286, line 1, after "money," insert "in the amount of $5 or more."

On page 310, strike out, in lines 7 and 8, "Postal rates" and insert "Tax on beer."

Commencing on line 9, strike out the balance of the section and insert the following:

"The national prohibition act, as amended and supplemented, is amended in the following respects:

"(a) By striking out the words 'one-half of 1 per cent or more' wherever they appear in such act, and inserting in lieu thereof the words 'more than 2.75 per cent by weight.'

"(b) By striking out the words 'less than one-half of 1 per cent' wherever they appear in such act, and inserting in lieu thereof the words 'not more than 2.75 per cent by weight.'

"(c) By striking out the words 'more than one-half of 1 per cent' wherever they appear in such act, and inserting in lieu thereof the words 'more than 2.75 per cent by weight.'

"(d) By striking out the words 'below such one-half of 1 per cent' wherever they appear in such act, and inserting in lieu thereof the words 'to 2.75 per cent by weight or less.'

"(e) By striking out the words 'and is otherwise denominated than as beer, ale, or porter' where they appear in section 1 of Title II of such act, and inserting in lieu thereof the words 'and is otherwise denominated than as ale.'

"SEC. 2. Any offense in violation of, or any right, obligation, or penalty, or any seizure or forfeiture based upon any provision of the national prohibition act, as amended and supplemented, or upon any regulation or permit issued thereunder, committed, accruing, made, or incurred prior to the time this act takes effect, may be prosecuted or enforced in the same manner and with the same effect as if this act had not been passed.

"SEC. 3. All permits issued under the national prohibition act, as amended and supplemented, before this act takes effect shall be valid with respect to intoxicating liquor as hereinbefore defined in this act, to the same extent as such permits are at the time this act takes effect valid with respect to intoxicating liquor as defined by law prior to the enactment of this act.

"SEC. 4. Title II of the national prohibition act, as amended and supplemented, is amended by adding at the end thereof the following new section:

"'SEC. 40. All fermented liquors brewed or manufactured, and taxable under the provisions of section 608 of the revenue act of 1918, and hereafter sold or removed for consumption or sale within the United States, by whatever name such liquors may be called, shall be packed in cases of pint bottles of 16 fluid ounces content, such cases to contain one dozen, two dozen, or four dozen such bottles each. Each case and individual bottle shall be marked, branded, and labeled in such manner as the Attorney General and the Secretary of the Treasury shall jointly by regulations prescribe, and all sales by brewers and dealers in fermented liquors shall be in the original package or case so marked, branded, or labeled. Such fermented liquors may be removed from such package or case for use in any public place only by legitimate hotels and restaurants and for the sole purpose of serving such liquors in the dining rooms of such establishments in the pint bottle with meals.'"

Mr. BINGHAM. Mr. President, I should like to explain that the amendment is purely a revenue-producing measure. It strikes out from the bill taxes amounting to about $369,000,000 in addition to the $2,000,000 which were taken off the bill last night.

In the first item, that relative to automobiles, it reduces the tax as proposed by the committee by 50 per cent, thereby saving the consumer $28,000,000. In the case of automobile parts it reduces the tax proposed by the committee 50 per cent, thereby saving about $1,000,000. In the case of the tax on radio receiving sets and phonographs it strikes the tax out entirely, thereby relieving the consumer to the extent of $11,000,000. It strikes out entirely the tax on telegrams and telephones, thereby taking $24,000,000 off the shoulders of the taxpayers.

Against the tax on amusements there has been very great protest from all parts of the country since the Senate committee agreed to tax all admissions over 10 cents, a tax which will probably put out of business a great many, if not half, of the smaller moving-picture houses of the country. The amendment which I propose strikes out the tax on amusements entirely, thereby saving for the taxpayers $110,000,000.

Mr. WALSH of Massachusetts. Mr. President——

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

Mr. BINGHAM. Just a moment, until I finish my statement as to the amounts involved, and then I will be glad to yield to my friend from Massachusetts.

As to the tax on bank checks, in accordance with the statement made to the committee that in the Western States, particularly in the dairy States, an enormous number of checks are issued to dairymen and farmers bringing in small amounts of produce who would be benefited if there were no tax on small checks, the amendment limits the tax on checks to those of $5 or more, thereby saving to the taxpayer $35,000,000.

Finally, in regard to the increase on postal rates, which in this bill is 50 per cent over the present rate, and which will cost some of our industrial concerns, which are staggering under a heavy load to-day, many hundreds of thousands of dollars, in addition to costing everyone who sends a letter through the mail an additional 50 per cent, the amendment strikes out the increase in first-class postage and in second-class postage, thereby taking $160,000,000 off the shoulders of the taxpayer.

The $371,000,000 loss may be easily met by adopting this amendment, which provides that the national prohibition act be amended by striking out the words "one-half of 1 per cent" wherever they occur and inserting the words "2.75 per cent by weight."

Mr. President, while some doubt has been expressed as to the intoxicating quality of 4 per cent beer, there has practically never been any contention on the part of physiologists or toxicologists that beer with an alcoholic content of 2.75 per cent by weight is intoxicating within the meaning of the Constitution.

I have been advocating the legalization of beer of an alcoholic content of 4 per cent by volume, which is equivalent to 3.2 per cent by weight, because such beer is more palatable and, according to the testimony of many physiologists, is not intoxicating. In order to meet the objections of those who are in doubt on this matter, however, I have reduced the proposed alcoholic content of the beer legalized by this amendment by forty-five one-hundredths of 1 per cent.

Two and seventy-five one-hundredths per cent beer by weight has less than one-half of 1 per cent less alcohol than so-called 4 per cent beer, although it sounds as though it had one and one-quarter per cent less alcohol.

There is abundant evidence in the records brought to the attention of the Supreme Court that 2.75 beer is not intoxicating. A great many affidavits from leading physicians all over the United States were presented to the Supreme Court in an effort to prove to that body that when the Congress passed the Volstead Act, making one-half of 1 per cent the lower limit of an intoxicating beverage, the Congress was not acting within its constitutional authority. The

Supreme Court decided that it was so acting but did not pass at all on the question of whether 2.75 per cent beer was intoxicating or was not intoxicating.

The American Federation of Labor has repeatedly gone on record in favor of legalizing beer of this alcoholic content, and so have many other organizations.

I am introducing this measure at this time because of its revenue-producing character. It was repeatedly stated on the floor of the House day before yesterday and at other times that it would raise $500,000,000 of revenue; but the more conservative estimates place the revenue at about $375,000,000. Consequently, in my amendment I have used this more conservative revenue-producing quality to enable us to avoid imposing a number of taxes which will be felt by a large number of people.

In the first place, the amendment reduces the proposed tax on automobiles by 50 per cent.

In the second place, it eliminates entirely the taxes on radios and phonographs.

In the third place, it eliminates entirely the tax on telegrams and telephones.

In the fourth place, it eliminates the tax on admissions.

In the fifth place, it eliminates the new postage rates.

In the sixth place, it eliminates the stamp tax on small checks.

There is some doubt as to whether the bill would raise the amounts estimated for these various items, since it is believed by some of those who are interested in the automobile industry and some of those interested in the moving-picture industry that it would not raise what the Finance Committee expects to secure from it. However, is it worth while to levy taxes of nearly $375,000,000 on legitimate, struggling business and to permit illegitimate business to go virtually tax free?

Here is a source of revenue which is unquestionably constitutional, which no one would object to paying, which would enormously reduce the illegitimate profits of speakeasies and beer racketeers, and, in addition, would promote economic recovery as well as temperance and sobriety.

There is abundant testimony to the effect that legalizing beer would put thousands of men immediately to work, would use millions of bushels of grain and tons of coal, and would start new activity in many lines of business.

I hold in my hand an article from the New York World-Telegram of Wednesday, April 20, in which Mr. Jacob Ruppert says that when he is permitted to make and sell old-fashioned beer he will immediately hang out a sign, "Wanted, 600 to 1,000 men for permanent jobs," and he is ready to spend $5,000,000 for improvements, and that means thousands more jobs. That is only one instance of what it will do.

Furthermore, there is abundant testimony to the effect that it would encourage temperance and sobriety and tend to discourage the use of hard liquor. In support of that claim I merely refer to the fact that in the two great beer-drinking and beer-producing cities in this country, St. Louis and Milwaukee, where what was considered the best American beer was made, the number of persons arrested for intoxication during the past year was 300 per cent greater than it was during the days before prohibition, when the people in those cities could get all the good beer they wanted. Those breweries to-day are making nothing but near beer.

In conclusion let me call attention to the fact that Great Britain for the past few years has had a tax of $25 a barrel on beer. The tax on our books is $6 a barrel. The barrels are not quite the same size. The tax on our books to-day, which could be collected if this amendment should pass, amounts to 2 cents on an ordinary pint bottle of beer. The tax which Great Britain has collected for the past 10 years amounts to 9 cents on a pint of beer; and an enormous amount of revenue has been raised by Great Britain for that purpose, which has helped her to balance her budget.

Furthermore, Mr. President, it is significant that drunkenness in the British Isles has decreased steadily; and during the past year, according to the report of the Royal Commission, there were fewer persons arrested for intoxication in all of England and Wales, where there are more than 40,000,000 people, than in the single city of Philadelphia alone under prohibition. There are only about 3,000,000 people in Philadelphia; and yet there were more persons arrested for drunkenness in Philadelphia last year, after 12 years of prohibition, than in all of England and Wales, that have not had prohibition.

Drunkenness in the city of London has dropped nearly 50 per cent in the last 12 years, while in the city of Washington under prohibition it has almost doubled. In the meantime, in this country intoxication has been steadily increasing throughout all the larger cities, including some 550 cities and towns on which we have estimates.

In 1929 the arrests for intoxication throughout the United States were greater than before prohibition was adopted.

I mention those facts merely to show that prohibition does not prohibit; that we have not any great reduction in intoxication; and it is the belief of many college presidents, deans, and teachers in schools and colleges that legalizing beer would promote temperance and sobriety in the communities of young people over whom they have charge.

My amendment provides that this 2.75 beer can be sold only in pint bottles for use in homes or in hotels and restaurants. In this way the return to the old-fashioned saloon, so feared by many people, is prevented, and the prosperity of the present speak-easy is attacked.

This is essentially a revenue-producing measure; but it will also promote business and discourage the bootlegger and the racketeer, whose ill-gotten gains are to-day, as everyone knows, used to promote some of the most hideous crimes in all history.

In view of the necessity for saving time I forbear from yielding to the temptation to discuss the economic merits of this project, to show how it would produce a market for millions of bushels of grain and millions of tons of coal, in addition to employment for hundreds of thousands of people now out of employment, because after all this bill is not a measure tending to increase business. On the other hand, it will tend to diminish business. Here, however, is a revenue-producing item in the bill that will not only raise $375,000,000 during the coming year, and do it easily and at the expense of illegitimate business, but it will actually promote industry and promote employment, and tend to restore prosperity and promote temperance and sobriety.

Mr. VANDENBERG. Mr. President, will the Senator yield for a question before he takes his seat?

Mr. BINGHAM. I yield.

Mr. VANDENBERG. For my information, can the Senator tell me in how many States of the Union it would be impossible for this proposal to operate because of State inhibitions, either statutory or constitutional?

Mr. BINGHAM. The estimates of the revenue are based on the fact that only in 15 States could the beer legally be sold.

Mr. ROBINSON of Indiana. Mr. President, I should like to ask the Senator a question before he takes his seat. Will he yield for that purpose?

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

Mr. BINGHAM. Certainly.

Mr. ROBINSON of Indiana. The Senator mentioned approvingly the wonders accomplished by a beer tax in Great Britain. I suppose he means in England, Scotland, and Wales. Notwithstanding all of the revenue that they have been enabled to derive from a tax on beer in a beer-drinking country, the fact remains, if I am correctly informed, that the English income tax on an income of $5,000 for a married man with no dependents is $703 annually, while here it is something less than $40.

There has been no proposal that I know of made on the floor of the Senate, or of the House at the other end of the Capitol, that in balancing the Budget it would ever be necessary to levy an income tax of anything like $703 on a $5,000 income. I am wondering why this tax on beer has not

worked better in England, which, according to the Senator, is the one place he uses as an example and illustration.

Mr. BINGHAM. Mr. President, England is under a far heavier debt than we are.

Mr. ROBINSON of Indiana. How much?

Mr. BINGHAM. I have not the figures; but everyone knows that the per capita debt of England is several times the per capita debt of the United States. Furthermore, the amount of revenue derived from this very heavy tax of 9 cents a pint on beer, while it has reduced the amount of beer consumed to an appreciable extent, and thereby reduced their revenue, still produces in that country a revenue equivalent to something like $250,000,000.

Mr. ROBINSON of Indiana. It is 9 cents a pint over there, and I understand that the Senator would make it 3 cents a pint here.

Mr. BINGHAM. No, Mr. President; the Senator is mistaken. The present law in this country, passed in 1918, I think, puts a tax of $6 a barrel, equivalent to 2 cents a pint, on beer.

Mr. ROBINSON of Indiana. A tax of 2 cents a pint to raise $600,000,000, then, would require that $3,000,000,000 be spent for beer annually. I think the $3,000,000,000 ought to be spent for bread.

Mr. BINGHAM. Oh, no! How does the Senator work that out? Will the Senator explain?

Mr. ROBINSON of Indiana. At the rate of 2 cents a pint, in order to raise $600,000,000——

Mr. BINGHAM. Who is proposing to raise $600,000,000?

Mr. ROBINSON of Indiana. I understood that some of the suggestions made were that $600,000,000 might be raised.

Mr. BINGHAM. Oh, no; not even the wildest enthusiasts have ever imagined for a moment that 2.75 per cent beer could produce $600,000,000.

Mr. ROBINSON of Indiana. How much would it produce, Mr. President?

Mr. BINGHAM. I stated that it was conservatively estimated that it would produce about $375,000,000.

Mr. ROBINSON of Indiana. That would mean about two-thirds of the $3,000,000,000 suggested, and $2,000,000,000 spent for beer in times like these——

Mr. BINGHAM. What does the Senator believe to be the price of beer per bottle?

Mr. ROBINSON of Indiana. I understand it to be 10 cents a pint, and with a tax of 2 cents a pint—is not that about what it would be, 2 cents a pint in the way of tax? If the tax is to be 2 cents a pint on beer sold at 10 cents a pint, and we are to raise $375,000,000 annually, it would be necessary to spend approximately $2,000,000,000.

Mr. BINGHAM. Mr. President, the best evidence the committee which took the evidence on this was able to get was that at the present time there is a very large amount of beer being made, selling at anywhere from 25 to 35 cents a bottle, on which the Government does not receive anything. All the profits go into the pockets of the beer racketeers, like Capone and others, who have been carrying on their nefarious business with the enormous profits they have made out of that illegitimate business. All I am proposing is that some of the profits be taken out of the illegitimate business and turned into the Government revenue through a legitimate business.

Mr. ROBINSON of Indiana. The point I make is that even in England, which the Senator cites approvingly as a great beer-drinking nation, where they derive so much revenue from a tax on beer, the fact still remains that the income tax is $703 annually on an income of $5,000, while in this country it is not proposed to make it over $50 or $60, even in the bill we have before us.

Mr. BINGHAM. The fact also remains that in England and Wales combined there were only 51,000 convictions for drunkenness in the year 1929, while in this country in the year 1929, in only 569 places, there were 759,807 arrests for drunkenness, or more than fifteen times as many; and I trust the Senator is sufficiently interested in temperance and in promoting sobriety to agree that England is better off than we are in the matter of drunkenness.

Mr. ROBINSON of Indiana. I do not agree with the figures so frequently cited by—shall I say the apologists for the liquor traffic? I do not agree with the figure just now cited.

I would like to mention before I take my seat, however, the other beer-drinking country, Germany, where, I understand from a traveler recently returned from that country, it has been necessary, notwithstanding the beer tax, which is as high as they can make it, to impose a tax on gasoline of 32 cents a gallon.

Mr. BINGHAM. How much is the beer tax in Germany?

Mr. ROBINSON of Indiana. I do not know what the beer tax is, but the tax on gasoline there is 32 cents a gallon. In this country the highest tax on gasoline is, I think, in Florida, where it is 7 cents a gallon. So evidently things are not so bad in this country from a revenue standpoint as in either England or Germany, and they have beer and can tax that beer, and can make the tax as high as they choose.

Mr. BINGHAM. Mr. President, that may be quite true, but the fact remains that if we will adopt this perfectly constitutional method, we can save the American taxpayer one-half of the proposed tax on automobiles, one-half of the proposed tax on motor parts and accessories, all of the new tax on postage, all of the new tax on radios and phonographs, all of the new tax on telephones and telegraphs, and all of the new tax on admissions to theaters.

Mr. BORAH. Mr. President, I do not propose to enter into a discussion of the merits of the contention of those who are insisting upon this amendment, but I do desire to say that I think they are a little overenthusiastic about what it would do. I think their zeal has outrun the facts.

It is contended, or has been contended from time to time in the discussion of the beer question, that among other things a tax on beer would settle the farm question, that it would practically settle the unemployment question, that it would make simple and satisfactory a revenue bill, and that it would bring contentment and happiness where there are now despair and distress.

I thought I remembered, when I read the statements with reference to agriculture, about a hearing which took place in 1917. At that time, it will be remembered, we had a population of 102,000,000 people in the United States. Now we have a population of about 124,000,000. So we can get a reasonable comparison.

Turning to the hearings which were had with reference to the production and conservation of food supplies in May, 1917, I read a few lines from the testimony of Mr. Pabst; and nobody in the discussion of beer will question the authority of Mr. Pabst on the question of beer. Pabst is to the beer world what Shakespeare is to the world of poetry. [Laughter.]

Mr. BINGHAM. The Senator ought to know.

Mr. BORAH. I do know, from reading. It will be remembered that Mr. Pabst was being asked whether or not they were consuming food products for the manufacture of beer when it ought to be used for food. He said:

> The two questions which are now uppermost are revenue and food conservation.
>
> The output of beer for the year ending June 30, 1916, was 58,633,624 barrels. At the present rate of $1.50 per barrel the Government received a revenue of $87,994,500.

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

Mr. BORAH. I yield.

Mr. BINGHAM. The Senator realizes that at present the rate is $6 a barrel.

Mr. BORAH. I realize that, but I am not willing for my Government to do business with people like those with whom Capone does business.

Mr. BINGHAM. Is not the Senator willing for the Government to take some steps to help put Capone out of business?

Mr. BORAH. We have done that. He is in the penitentiary.

Mr. BINGHAM. Temporarily.

Mr. BORAH. I think he will be there until after the Republican convention. [Laughter.]

Mr. Pabst continued:

Allowing for the shrinkage due to States that have gone "dry," the Internal Revenue Department estimates the sales of beer for the next fiscal year at 50,000,000 barrels.

This is the point to which I directed the able Senator's attention, not in confutation of his argument so much as to suggest that he has been overenthusiastic.

The area of land under cultivation to barley was in 1915, according to the official figures of the Agricultural Department, eactly 0.39 of 1 per cent of the total area of agricultural land in the United States. The area which is needed for the brewers' requirements is 0.068 per cent, or a little less than 0.07 of 1 per cent of the total area of our agricultural land.

That is what Mr. Pabst said. He said further:

The total number of bushels of grain used is 70,505,488; returned to the farm as a dairy food, 35 per cent, 24,676,920 bushels. Net number of bushels of grain used in the manufacture of beer, 45,828,568, which is less than three-quarters of 1 per cent of the total grain crop of 1916, which was 4,703,429,000 bushels. The grain crop of 1915 was 5,762,575,000 bushels. The total revenue from the beer tax in 1916 was $87,950,000, which is equal to $1.90 per bushel of the grain used.

Senator GRONNA. The percentage of grain used in the brewing business, according to your figures, would be almost negligible. * * *

Mr. PABST. Yes.

There were 102,000,000 people in the United States then. There are now 124,000,000. So while it might help the farmer, I again say that I think those who are advocating this matter have been overzealous in their statement of the facts. Just the spirit of the crusader, that is all—no intention to mislead.

Mr. BINGHAM. Mr. President, did the Senator hear me make any overstatement in regard to the number of bushels it would help consume? I wonder what overstatement I made.

Mr. BORAH. It has been stated here repeatedly, by the Senator or by his coadjutor, that it would practically bring prosperity to the American farm.

Mr. BINGHAM. Mr. President, I never heard anybody say that. All I have heard them say is that it might give an additional market for 100,000,000 bushels of grain, which would help 100,000 farmers. I did not use that argument to-day.

Mr. BORAH. No; not to-day; but my memory goes back.

Mr. BINGHAM. The Senator is very kind.

Mr. BORAH. If the Senator is going to confine his argument to the fact that it "might" do so and so, I shall not undertake to discuss the matter further. I understood that we had an assurance that it was to return prosperity to the farm.

Mr. BINGHAM. Oh, Mr. President, the Senator exaggerates just as much in that statement as some of his opponents have been exaggerating. So far as the number of barrels consumed is concerned, the Senator quoted an estimate that it would be 50,000,000 in 1917. Actually it was 60,817,000, and it is on that basis, using the rate of $6 a barrel, which is the present rate, that one arrives at $360,000,000 for the population we had in 1917. A conservative estimate would give $375,000,000 of revenue at the present time.

Mr. BORAH. Mr. President, the Senator may be right about the sixty million, but I insist on accepting Mr. Pabst's figures, because I know Mr. Pabst knew more about it than the Senator can possibly know.

Mr. BINGHAM. I am not quarreling with the Senator's figures, but merely with his statement that we had overestimated the amount of revenue. The estimate is based on figures of beer which was sold in the barrel in 1917, namely, 60,817,000 barrels.

Mr. BORAH. I will come to the revenue question in a moment. I am now discussing the return of prosperity to the farm.

In 1905, that year being the peak year in the consumption of beer, there were 5,096,000 acres in barley, and we raised 136,651,000 bushels.

Mr. BINGHAM. Mr. President, whom was the Senator quoting when he said that 1905 was the peak year in the production of beer? In 1905 there were consumed only 49,000,000 barrels. That was one of the low years. Whereas in 1916 there were consumed 58,000,000 barrels, and, as has already been stated, in 1917 there were consumed 60,000,000.

Mr. BORAH. I will take the 1916 figures. Will the Senator give me the acreage in barley that year?

Mr. BINGHAM. I was discussing barrels of beer.

Mr. BORAH. I am discussing acreage.

Mr. BINGHAM. I did not know the Senator was proposing to put a tax on acres of land.

Mr. BORAH. We will take the Senator's figures for 1916. In 1927, after we had had prohibition for some time, we had an acreage of 9,492,000 and we raised 265,577,000 bushels. The farmer got 67.8 cents a bushel, or $180,127,000. That is far more than he ever got in the balmy days of beer. Certainly prohibition did not hurt the farmer's prosperity with reference to barley. Never has he raised so much barley or secured better prices.

The Agricultural Department in 1909 declared that the farm value that year for barley was $88,000,000, while in 1927 it was $180,000,000.

Mr. ROBINSON of Indiana. Mr. President——

The VICE PRESIDENT. Does the Senator from Idaho yield to the Senator from Indiana?

Mr. BORAH. I yield.

Mr. ROBINSON of Indiana. May I observe that according to my information, in Canada, where liquor is licensed, barley has been selling in the past year at 8 cents a bushel? It was never lower than 12 cents a bushel during the past year in this country. That was low enough, but it never went lower than 12 cents a bushel, while in Canada, where beer flourishes legally and under license, it sold at 8 cents a bushel.

Mr. BORAH. I thought I heard the Senator from Connecticut say to-day—at least I have heard him say previously—that the selling of beer would have a tendency to prevent the use of hard liquor. That is one of the arguments put forth, especially by those deeply interested in temperance. They are not so much for beer, but they want it in the cause of temperance to stop the drinking of hard liquor.

Mr. BINGHAM. What I have said in the past and the testimony given before the committee by various teachers in schools and colleges was that the legalization of beer would, in their opinion, tend to promote sobriety among young people and among college students. We have an abundance of testimony from deans and professors that since it has been impossible to secure good beer, college students have taken to drinking hard liquor, when it was not previously their custom to do so.

Mr. BORAH. I have great respect for professors on some subjects, but I doubt very much whether they are familiar with the subject of the transfer of the appetite from beer to hard liquor. [Laughter.]

Mr. BINGHAM. Does the Senator claim he is a better authority on that subject than the deans of some of the colleges?

Mr. BORAH. No; but I am going to give the Senator an authority which he will not dispute.

Mr. BINGHAM. The Senator will admit that when deans of colleges and those in charge of the education of youth make statements of that kind they have no other object in view than to attempt to produce better conditions for the students under their care.

Mr. BORAH. I do not question their motive at all. I question their taste.

The British Columbia liquor board, in its official report, said that "since the opening of the beer parlors the sales of hard liquors have increased 50 per cent."

Mr. BINGHAM. It must have been very poor beer.

Mr. BORAH. Possibly so; but I think it was better than the Senator will be able to get under this amendment. [Laughter.]

The Quebec Liquor Commission said that "the sales of hard spirits increased 32,275 gallons in one year."

Mr. BINGHAM. Does the Senator mean to imply that is all consumed in Canada?

Mr. BORAH. Some of it might have gotten to Connecticut. I do not know about that.

The Saskatchewan liquor board said that the "sales of hard liquor increased 33 per cent in the last two years."

The Montreal Star said, "Drunkenness among women increased 53 per cent," and the Montreal Star is an advocate of the present system in Canada. The police commissioner stated, "If all the drunks were arrested there would soon be no room for them in the jails of Canada."

Mr. HOWELL. Mr. President——

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

Mr. BORAH. I yield.

Mr. HOWELL. The Senator from Idaho cited Montreal. In Quebec wine and beer are sold in public places. Hard liquors are sold under government control. When I was last in Canada I was informed there were four places in Quebec where the government dispenses liquor and that one is entitled to get one quart of liquor a week, but that if he worked it right he can get four quarts of liquor. Yet they have saloons or public places selling wine and beer.

Mr. BORAH. The Saskatchewan liquor board says that "bootlegging increased 111 per cent in the first year." The British Columbia liquor board said, "As much liquor is sold by bootleggers as is sold in the government stores."

Mr. BINGHAM. Are those figures the Senator is citing in opposition to the teachers of youth in this country?

Mr. BORAH. Yes, indeed. I have not the awe for these teachers that the Senator has, but I have great respect for them.

Sir Hugh MacDonald, speaking of the Canadian situation, said:

> There is just as much unlawful drinking under the Government control act as under prohibition. The present law was in the very nature of things difficult of enforcement. It is far less difficult to secure convictions under prohibition than under Government control.

I might read further, but I shall not do so.

The Senator from Connecticut spoke about England and the way England conducts her liquor business. It is true that England has a revenue system with reference to intoxicating liquors. It is true that the amount of revenue raised is considerable and the tax is very heavy. It is having its effect in England. The best thought of England is to the effect that they must modify the tax or they will pauperize a very large portion of the working class of that country aside from those who are already unemployed. Let me read an article from the Manchester Guardian, which gives a vivid picture of the workingmen under the revenue system in Great Britain:

> Bermondsey is a borough of 114,000 people. The annual drink bill for this district for 1925 was £1,355,000, 85 per cent of which was for beer and the rest for wines and spirits.

There we have a perfect presentation of a perfect beer example. Here we have an illustration of the happy and prosperous community where they have beer and a heavy revenue tax.

> The annual drink bill for Bermondsey for 1925 was £1,355,000, 85 per cent of which was for beer and the rest for wine and spirits. Along with this fact we may note that it has the highest unemployment rate of any district in London, one in seven of the population being in receipt of relief. Wages are low, and the average wage of the fully employed man is £2 16s. 4d. Doctor Salter calculated that if each married man spent 5s. a week on drink and allowed his wife to spend half a crown, then, without making any allowance for abstainers, the drink bill would not exceed £557,000, less than two-fifths of the actual amount. For men and women to spent 7s. 6d. out of a weekly income of less than £3 on beer would be bad enough. What shall we say when, without allowing for abstainers, two and a half times that amount is deducted weekly from what is available for the nourishment and care of the children? The same point is brought into clear view when we note that though nearly a third of the population are children under 12 years of age, more than seven times as much was spent on strong drink as on milk. Indeed, the amount spent on alcoholic drink was nearly £200,000 more than the total amount spent on bread, milk, house rent, and rates.
>
> Now, I know that many people will say that it is poverty which is the cause of drunkenness and not drunkenness that is the cause of poverty. The statement is neither true nor false. The two causes are interwoven so that it is impossible to separate them. In life as many people have to live it in such places as Bermondsey there is little joy, and drunkenness is, to quote the old familiar saying, often welcomed as "the shortest way out." But that is no excuse for such wanton waste of human lives, of decency, of money, and of everything. There are plenty of men, and not only in Bermondsey, for whom life consists of nothing but work, to earn money, and beer on which to spend it. I was rereading William De Morgan's novel Joseph Vance the other day. He speaks of such men as "beer maggots," and says that they come to be little better than animate beer as a maggot in a cheese is little but animate cheese. The saying, if revolting, is perfectly true. It may ease the consciences of people who simply desire to banish an unpleasant subject from their minds to go on repeating that there is little drunkenness to-day and that the fight against this national enemy has been fought and won. But it is not true.

I think the Manchester Guardian, a great paper, ought to be a reliable witness with reference to these matters in England. It is a fearful, a revolting picture.

Mr. President, I have risen, as I have said, simply to state that it seems to me the advocates of the beer amendment are overstating the case. It will not accomplish what the Senator from Connecticut thinks it will accomplish.

If you collect five hundred million or four hundred million or three hundred and fifty million in the way of revenue, from whom are you going to collect it? From whose pockets are you going to take it? From people of wealth? From people with competency? From people who can well afford to pay it? Will the weight of this tax fall upon those who can afford to bear it? You can not sell enough beer to bring the Government such amounts in revenue without selling to millions of families with incomes so small that it is almost impossible for them to live now. You are not going to sell this beer in sufficient amount to bring this revenue from well-to-do homes. You are going to sell it in homes not well to do, upon the verge of want. You must sell to the poor. The amount which you could sell to the well to do, to the rich, would bring you little revenue. You must go elsewhere. If you get five hundred million, at least four hundred and fifty million would come from those who can not afford to pay any more taxes. It is a sales tax—a sales tax which reaches for the pennies of the poor, a sales tax which will require families to take something from their already meager resources. This is a tax which has neither law nor conscience nor mercy behind it.

And for what is the tax to be paid? It is paid either for that which is unlawful or for that which is a deception, a fraud. If the liquor you are to sell is intoxicating, it is sold in violation of the law. If it is not intoxicating, it is not what the people want and expect. It is a deception, a pretense.

Mr. NORBECK. Will not the tax be collected from the unemployed? Will it not come from those who are out of jobs?

Mr. BINGHAM. Mr. President——

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

Mr. BORAH. I yield.

Mr. BINGHAM. I disclaim it will yield $500,000,000. I said there had been that claim made and that it was exaggerated. I base my claim on the actual figures of beer sold in 1916 and 1917 multiplied by 6, with a small allowance for increase in population. Therefore, I think there is no possible ground for the claim that $375,000,000 is an exaggerated estimate. When the Senator asks where is it going to come from, may I say to him that the testimony of the Prohibition Director is that at the present time in the United States there is a consumption of something like 23,000,000 or 24,000,000 barrels of illegal beer that is made, from which we derive no revenue at all. Is the Senator's argument correct that prohibition does prohibit and the amount of intoxication is going down as it is in England? Let me say to the Senator the figures which were quoted in regard to intoxication in England were taken from the Survey Graphic Magazine, an article written by a member of the British Royal Commission on Licensing, a report of the committee which just completed an exhaustive study of the liquor problem in England.

Mr. BORAH. They would not arrest people for drunkenness for the conditions which are described in the Manchester Guardian. They have passed beyond that point.

Mr. BINGHAM. They do not arrest people that are really drunk? Is that the idea?

Mr. BORAH. They do not arrest people who are drinking in their homes, and so forth, as described in the Manchester Guardian. They pay no attention to them. The only men they arrest in England, so I am advised, are men on the street disturbing somebody.

Mr. BINGHAM. What about in Washington?

Mr. BORAH. I do not think they arrest them at all.

Mr. BINGHAM. The Senator thinks they do not arrest them at all in Washington, and yet whereas before prohibition there were only 50 young people between the ages of 18 and 21 arrested for drunkenness during an entire year, three years ago there were 600 such arrests of young people. The number of arrests for drunkenness in the city of Washington has doubled since prohibition went into effect, and yet the Senator says they do not arrest them here at all for drunkenness.

Mr. BORAH. I do not think they were drunk on beer.

Mr. BINGHAM. No; and that is the point I was trying to make. Very few people ever get drunk on beer. [Manifestations of applause in the galleries.]

The VICE PRESIDENT (rapping for order). There must be no demonstration of any kind in the gallery, or the Chair will order the galleries cleared. Under the rule of the Senate there must be order in the galleries.

Mr. ROBINSON of Indiana. Mr. President——

The VICE PRESIDENT. Does the Senator from Idaho yield to the Senator from Indiana?

Mr. BORAH. I yield.

Mr. ROBINSON of Indiana. The Senator was a member of the much-discussed lobby committee. I am sure he will remember that in the evidence adduced before that committee one of those who was most active, by contributions in money and otherwise, toward the success, whatever it may be, of the Association Against the Eighteenth Amendment frankly stated in a letter to one of his correspondents that if he could transfer the income taxes he was forced to pay over to the wage earners who would drink the beer of the country and could have the eighteenth amendment repealed, it would decrease his own income taxes $10,000,000 a year in one corporation alone. That was one of the Du Ponts.

Mr. BORAH. I remember that statement.

Mr. President, I have before me an editorial appearing in the Boston Post, a newspaper which, as I understand, is not "dry." It refers to the propaganda with reference to arrests in foreign countries decreasing and arrests for drunkenness increasing in the United States. It saw fit to make an investigation of the question. I quote from the Boston Post, assuming it to be, as I believe, an entirely responsible newspaper. It says:

> But the police of Paris have no difficulty in discovering drunken Frenchmen. And one has to be good and drunk in Paris to attract the attention of the police. Arrests for drunkenness in Paris per 10,000 population are three times that of New York, the wettest city in America.

Mr. BINGHAM. Mr. President, does the Senator agree that New York is the wettest city in America?

Mr. BORAH. I would not want to speak in a too complimentary manner of New York right now.

Mr. BINGHAM. But the Senator does think that New York is the wettest city in America, and that it is easier to get a drink in New York than anywhere else?

Mr. BORAH. I have not the slightest information on that subject. It is one which requires experience, and I have no experience whatever on the subject.

Mr. BINGHAM. I thought the Senator expressed his own view that New York was the wettest city in America.

Mr. BORAH. I was reading the statement in the editorial.

Mr. BINGHAM. But the Senator agrees with what the newspaper says. May I call the Senator's attention to the fact that if New York, as the newspaper article says, is the wettest city in America, it is the only great city in America that has shown a marked decrease in arrests for drunkenness since prohibition, so-called, went into effect.

Mr. BORAH. I do not want to digress too far to lodge any responsibility for that fact. The newspaper editorial goes on to say:

> In Paris, the arrests per 10,000 of population have averaged about 50 in the past few years. In New York the average is about 15 per 10,000 * * *.
>
> In Greater London the convictions (not arrests) for drunkenness have ranged from 48 to 50 per 10,000 in the past few years. In Edinburgh, Scotland, the ratio is startling as compared to New York. Edinburgh arrests for drunkenness have gone as high as 153 per 10,000 in the last 10 years. New York's high mark since prohibition was 18.34 arrests per 10,000 in 1924.
>
> The figures show the glibly repeated statement that European countries, with their wholesome beer and wine available to the citizens at reasonable prices, are not troubled with the problem of the drunkard to be entirely untrue.

Mr. FESS. Mr. President, will the Senator yield for a question?

Mr. BORAH. I will yield as soon as I state one other fact that I wish to put in the RECORD in connection with this subject. The bread bill of England in 1930 was £88,000,000; the milk bill of England was £86,000,000; the drink bill of England was £288,000,000.

Now I yield to the Senator from Ohio.

Mr. FESS. Has the Senator made any investigation as to the probable reason for the greater number of arrests, we will say here in Washington, since the eighteenth amendment went into effect than before, on the basis that under the eighteenth amendment and the laws to enforce it there was a penalty attached to acts the commission of which previously did not entail a penalty? Consequently an act that would be the subject of arrest after that time would not have been considered the subject of arrest previously. When a penalty is provided for an act to which previously no penalty was attached, the arrests, of course, increase. Is there not something in that?

Mr. BORAH. I have never investigated that question; I do not know, but I can well understand that might be so.

Mr. FESS. The reason I thought that was true is that the Senator and I and probably everybody else who was in Washington prior to 1918 or 1920 saw considerable drunkenness on the streets. I have not seen very much drunkenness since that date. So it does not appeal to me because there are a greater number of arrests in the records of the police court that that means drunkenness is increasing. I think that the opportunity for violation of the law which did not exist before because of the lack of law will account for the increase in arrests.

Mr. BORAH. Yes.

Mr. President, one thing further. The Senator from Connecticut has cited the quality of beer which is now being drunk illegally, and so forth. Does the Senator think that those who drink such beer will exchange it for the 2.75 slop he is going to give them?

Mr. BINGHAM. The Senator contends that he has no knowledge of beer, and then he refers to certain beer as though it tastes very good and then to the "slop" that we are going to give them as though it tastes very bad. Where does the Senator get his ability to judge as to that when he claims he has no experience?

Mr. BORAH. I am asking the Senator does he think that those who drink beer will exchange 4 per cent beer for 2.75 per cent beer?

Mr. BINGHAM. The evidence brought to the attention of the committee was to the effect that beer is one of those things which are made best in large breweries and not in small quantities. There is an enormous amount of home-brew beer of a high potency being made to-day; that is true; but it is not the kind of beer that is considered by the beer drinkers as very palatable. The average beer drinker, according to the information given to the committee, would prefer to buy good, wholesome beer made in a large brewery under thoroughly sanitary conditions, even though it contained a smaller percentage of alcohol, than to drink what is referred to as "slop," but which the Senator seems to prefer to the other kind of beer.

Mr. President, if the Senator will permit me, in the District of Columbia in 1914 there were 8,837 arrests for drunkenness. In 1920 right after prohibition the number fell to some 3,565; but in 1930 there were 14,409 arrests for drunkenness, or nearly twice as many as before prohibition; whereas in New York City during 1928, the only year for which I have the figures before me, the number was 13,353, or less than in Washington. Now, let us see what took place in Washington and New York City before prohibition. In New York City in 1903 there were 54,000 arrests for drunkenness. After that there was a very remarkable and steady decline until 1919, which was the low point, just before prohibition went into effect, when the number fell to something under 7,000. Then came national prohibition, and since then there has been a small rise, so that in 1928 the number was 13,353. However, what I wanted to call the Senator's attention to was that arrests for intoxication, so far as one can judge by the courts in New York City, were diminishing steadily in the preprohibition days, from the high point of 54,000 down to the low point of something under 7,000.

Mr. BORAH. That argument, Mr. President, might be very potent in advocating the repeal of the eighteenth amendment, and I think that is the proposition which is before the country, namely, whether we will or will not repeal the eighteenth amendment; but I do not see that that throws any light upon the question involved in the amendment which is now before the Senate.

Mr. BINGHAM. But the Senator brought in the New York figures; he read rather scornfully from the Boston Post to prove that European countries, where they have freely wine and beer, are not so well off as is America and that they have more drunkenness because, forsooth, the increase in arrests in New York City for drunkenness is less than in European capitals. I have, however, pointed out to the Senator the fact, with which he doubtless is not familiar, that New York City, frequently referred to as the wettest place in the country, is the place where they have the least intoxication or the least number of arrests for drunkenness per capita.

Mr. BORAH. That is better—"the least number of arrests."

Mr. BINGHAM. Very well. Neither the Senator nor I desire to discuss the enforcement of law in New York City. The Senator was the one who brought in New York City first, and not myself. May I call the Senator's attention to the fact that in the city of Cleveland, for instance, we are informed that last year there were 32,000 arrests for drunkenness, which is more than for many, many years; and in that 32,000 the average age of persons arrested for drunkenness was only 25? In other words, 16,000 of those drunks were young people between the ages of 18 and 25, not one of whom was more than 12 years old when prohibition, that was to keep the young people from ever knowing the taste of alcohol, was adopted.

Mr. BORAH. Mr. President, as I said a moment ago, that argument, I think, would be worth considering in connection with the question of the repeal of the eighteenth amendment.

Mr. BINGHAM. I thought the Senator had brought in the argument in favor of prohibition.

Mr. BORAH. No; the Senator from Connecticut, in his opening statement, spoke about the arrests in the old countries diminishing and decreasing as compared with arrests for drunkenness in our country. I simply brought that in to show that there were two sides to the question, and I think I did so. The Senator is overenthusiastic in his cause.

Mr. BINGHAM. There are certainly two sides to this question.

Mr. BLAINE. It seems to me, Mr. President, that the amendment offered by the Senator from Connecticut is intended to accomplish a public purpose in a perfectly lawful way. I desire to invite the attention of the Senate to the fact that just the other day the Senate attempted to accomplish a public purpose in connection with an alleged unlawful product. That is the distinction to be drawn between the amendment offered by the Senator from Connecticut and the tax imposed on what are known as wort and malt sirup and malt extract. So it seems to me the proposition is a very practical one and does not involve at all the question of prohibition.

The proposal to tax those products which are the next-door neighbors to beer reminds me very much of the earlier prohibitionist who voted dry but always sought his liquor by way of the back door of a saloon. That is exactly what the Senate of the United States did the other day; it sought to tax liquor by way of the back door. It must be obvious to everyone that the taxation of the products of malt embraced in the amendment which was adopted by the Senate is but one step from the taxation of beer. There is but one step in the process of accomplishing the manufacture of beer from malt products, no matter by what name characterized, to beer.

It is presumed that wort, upon which the Senate imposed a tax but last week, is prohibited by the Volstead Act—the Prohibition Department so holds, as I understand. I am rather inclined to the opinion that the amendment adopted by the Senate, providing for a tax upon malt products, by implication, has modified the Volstead Act. If that is not correct, then do we propose that the Department of Justice and the Treasury Department are going to demand a tax of 15 cents a gallon on wort and 3 cents a gallon on malt extracts and sirups if those departments, or either one of them, hold to the proposition that those articles, or either of them, are prohibited under the Volstead Act?

Mr. President, we are flirting with a very dangerous proposition here. The Government must do one of two things: It must take the position that the amendment adopted by the Senate respecting the tax on malt products has by implication modified the Volstead Act or that the Government of the United States is going to exact a tax against an unlawful product. In other words, we propose by that amendment to wink at crime if either of those products are still maintained to be illegal by the enforcement departments of the Government. The proposal of the Senator from Connecticut, therefore, is to go at this proposition in a direct and candid way, and legalize the products of malt within the limits of the alcoholic content provided for by the amendment.

It was that feature that I desired to present to the Senate.

Now, just briefly, I desire to call to the attention of the Senator from Idaho the fact that the report that he read from the British paper sounded very much like a report submitted by the superintendent of the Anti-Saloon League or by "Pussyfoot" Johnson, who had attempted his prohibition propaganda in Great Britain; but let me read from the testimony taken before the subcommittee of the Judiciary Committee, of which the Senator from Idaho was and is a member. That testimony was given by Mr. John M. Morehead, American minister to Sweden, who has resided in Sweden as our American representative for a considerable period of time. Let me give the Senate the benefit of his testimony respecting the question relating to the control of the liquor traffic.

I have in my hand a part of that testimony. I doubt if any Senator will dispute Mr. Morehead's statements or question the accuracy of the figures he has given. He is our representative in Sweden. Surely he would not testify falsely respecting the statistical facts as he has presented them, and it will take but a brief moment to give a summary of those facts.

Sweden adopted what is known as the Bratt system for the control of the liquor problem. As I recall, it was in 1911 that the Gothenburg system was introduced in Sweden. Then, if I am correct—and I think I am—the Bratt system followed the Gothenburg system in 1914, and the official government figures for the period 1914 to 1930 show the following:

The consumption of spirits in Sweden decreased 32 per cent in that time.

The consumption of spirits in Stockholm, the metropolis of Sweden, decreased 47 per cent.

The consumption of beer of all strengths decreased 9 per cent.

Convictions for drunkenness in Sweden decreased 52 per cent.

Convictions of females for drunkenness in Sweden decreased 66 per cent.

Arrests for drunkenness in Stockholm decreased 76 per cent.

Arrests of females for drunkenness in Stockholm decreased 84 per cent.

Arrests for drunkenness of persons under 20 years in Stockholm decreased 83 per cent.

Arrests for drunkenness of persons from 20 to 30 years in Stockholm decreased 79 per cent.

Arrests for drunkenness of persons over 30 years in Stockholm decreased 79 per cent.

Arrests for drunkenness in Gothenburg, the principal seaport, decreased 66 per cent.

Arrests for drunkenness in Malmo, the third largest city, decreased 76 per cent.

Deaths due to chronic alcoholism in Sweden decreased 89 per cent.

Deaths due to chronic alcoholism in Stockholm decreased 100 per cent. Stockholm is the largest city in Sweden.

Cases of alcoholic insanity in Sweden decreased 51 per cent.

Cases of alcoholism in the State Hospital for Inebriates decreased 76 per cent.

Cases of chronic alcoholism in Stockholm decreased 88 per cent.

Crimes of violence in Sweden decreased 44 per cent.

Crimes of violence in Stockholm decreased 60 per cent.

Under a well-regulated and sensible system of liquor control, Sweden has demonstrated at least that all of the evils that flow from the excessive use of alcoholic liquors are being gradually wiped out.

Mr. President, are we going to set up this system of hypocrisy, taxing that which the Government has held illegal, for the purpose of obtaining $97,000,000 or a little less for the Treasury of the United States, or are we going to face this matter squarely and honestly and with candor and legalize beer containing a moderate amount of alcohol and start on the way to some system of the control of liquor? That system which ever has proven to be the most successful in the history of nations, of course, will be the system that would promise the greatest success here in our own country.

Mr. NORRIS. Mr. President——

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

Mr. BLAINE. I yield.

Mr. NORRIS. Will the Senator point out to the Senate what the system he is reading is?

Mr. BLAINE. I will endeavor to do it from the testimony.

The system, generally speaking, is State control and is one of licensing the individual. I will very inadequately outline the system, because I have not had the matter in mind for the last two or three weeks; but, generally speaking, it is a system of licensing the individual.

There are three types of liquor: Wine; hard liquors, including whisky, rum, and similar types of hard liquor; and then three classes of beer.

The Bratt system provides that the first class of beer shall have a maximum alcoholic content of 1.8 per cent by weight; class 2, a maximum alcoholic content of 3.2 per cent by weight. Those are the two classes of beer that are sold in Sweden. The third class of beer is the heavier export beer of over 3.2 per cent alcohol by weight. That is for export purposes alone.

The class 1 beer, or the lighter beer, is retailed in restaurants to be consumed alone.

Class 2 beer, the beer of medium alcoholic content, is sold to be taken away only in bottles which hold approximately one pint, and cost 4 cents if the bottle is returned.

As I said, the third class of beer, or the heavier beer, is permitted for export only.

Then there is a rationing system. I can not give just the number of quarts rationed to each individual, but there is a rationing system for the adult members of the family—a certain amount of hard liquor, a certain amount of wine. If the person who holds the permit—and that is all it is; it permits a person to go to a government dispensary, and there obtain his liquor—violates any of the laws or rules relating to the control of the liquor traffic, he loses his right to obtain liquor.

That is, generally speaking, the system that has been set up in Sweden. I am sorry I have not prepared myself to go into the matter in greater detail, but perhaps this brief outline will answer the question asked by the Senator from Nebraska.

The system of liquor control in Sweden, at least—they have now had experience with it there since 1914—has been a success. It has constantly decreased all that which comes from the immoderate use of liquor. Gradually that decrease has been going on, until in the great city of Stockholm, the metropolis of Sweden, there is not a single case of insanity due to alcoholism.

As the testimony given by Mr. Morehead disclosed, throughout the entire Swedish Nation there was developing moderation and temperance, and he gave his own personal observation that scarcely ever would one find a drunken man upon the streets anywhere.

The Swedish people have developed their system of liquor control gradually. Whenever they found that the bootlegger was being encouraged they changed the allotments that would be made to an individual, or reduced the price, realizing that through competition they could drive out the bootlegger. That is the way Sweden proposed to, and did almost to the point of perfection, drive the bootlegger from the realm.

That has been the experience of Sweden, and the figures I have given are the official figures taken from the official records of that nation furnished by the American minister to Sweden. I think the evidence is conclusive that when a system is set up such as is the Bratt system, and the more highly developed systems in some of the Provinces of Canada, a country then starts upon the road toward moderation and temperance.

Under the Swedish system not only do they undertake to control the apportionment of liquor to the individual but they have also set up plans for hospitalization. They carry on an educational work, by which they instruct the people of Sweden in the proper and moderate use of liquor and what the excessive use of liquor may mean. In Sweden they have developed an intelligence upon that question by and through which individuals are controlling their own appetites.

Here in the United States, as I have maintained, we are never going to be able to control the appetites of men by law, no matter whether those appetites have to do with liquor or food. It can not be done by law. You can not legislate good morals, you can not legislate moderation, you can not legislate temperance into men and women. Those qualities, those virtues come from environment and education, and the proper management and conduct of the Government in promoting those virtues.

Mr. President, this is a practical question. I do not think it involves at all the question of "wet" and "dry"; that is, fundamentally it does not. It does involve the question of whether or not we are going to be honest with ourselves, whether or not the Government is going to be honest with itself and with the people.

I maintain that we can not have a wholesome public sentiment here in the United States when we purposely impose a tax upon those products which the enforcement officers have declared to be illegal and which have been declared to be illegal by a court of the United States. We can not develop a wholesome public sentiment in the United States by engaging in a taxation plan which taxes a product that the enforcement department has declared to be illegal. It is not honest, it is not candid, and I am not surprised that prohibition is coming into disrepute more and more as the days go by. When we tax those products which the Prohibition Department has said are illegal under the Volstead Act, and then fail to legalize a product made out of these

alleged illegal products, there ought not to be any public respect for that kind of law. It does not justify public respect. It justifies public condemnation.

Mr. President, if for no other reason than in the interest of honesty, we should adopt the amendment submitted by the Senator from Connecticut. When we are going into this proposition, we ought to go in at the front door, go in lawfully, instead of going in at the back door, taxing a product declared by the enforcement officers to be unlawful under the Volstead act.

Mr. President, we can encourage public respect for law. We can demonstrate to the country that we have the courage to enter into this matter by the front door, and let the back door be closed.

I submit, Mr. President, in conclusion, that the exploitation of an alleged illegal product, in order to obtain revenue, should not be the conduct of a Congress or a parliament. Let us approach this matter candidly, and recognize the situation as it is, and raise revenue upon a lawful product.

Mr. BORAH. Mr. President, the Senator from Wisconsin has referred to the Swedish policy for controlling the liquor traffic. Like every other policy with reference to the control of the liquor traffic, there are two sides to it. It has by no means settled the liquor question in Sweden.

A great national committee has been organized in Sweden to take care of the illegal liquor traffic in Sweden, and I have here an appeal of that committee made to the people of Sweden. It recounts all the evils which are generally found in any country, whatever system may prevail. I shall not take the time to read it, but I ask to have the document printed in the RECORD.

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

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

[Translated from Swedish Kalmar Tidning]

TO COMBAT AGAINST THE ILLEGAL LIQUOR TRAFFIC

An appeal of the National Committee Rikskommitten to all of responsibility-conscious citizens in the country:

During the later years observations have more and more been drawn to the illegal liquor traffic in the land, and it has appeared manifestedly clear to wider and wider circles that this traffic—home-brewing, smuggling, and peddling—brings with it great damaging social effects and contains a serious danger for the country and its people. It has at different parts of the country been ascertained that home-brewed and smuggled liquors are offered and sold at dance halls and places of amusement, and where work is carried on, at gates of alleys, on streets, and roads. Especially seem the young people to be exposed and sought for the liquor agents and peddlers' temptations. There are cases where youths of 15 have been led to purchase smuggled spirits and in intoxicated condition landed in custody of the police. There are also many cases of neglectful heads of families who have spent on smuggled spirit and home-brew what rightly should have been used for the proper support of wife and children.

Irrespective of one's opinion otherwise on the temperance question, and irrespective of what one thinks and feels about the present legally applied system of restriction, one must nevertheless convince oneself that the illegal liquor traffic, which is aimed at leading astray and corruption of the growing youth, generation, and to reap filthy lucre out of really neglectful family providers' sickly appetite for liquor, is an evil and charged with serious danger to the cultural values which through the people's own efforts have been created for now living and coming generations. To the young, who follow the lure into the illegal traffic, threatens a danger not only in that they are exposed to temptations of intoxicating themselves; they are also cultivated in the habit of lawbreaking. They learn to take part in crime, to share in hiding it, and to protect the offender. This means that the youngs' conception of right is dulled in a grave manner, thereby easily landing on the course of crime in a wider application.

A short time ago happened a case which horribly manifested the danger of the illegal liquor traffic. Not less than 10 people lost their lives and many others are made invalids through consuming Stockholm smuggled spirits, the same being found to be wood alcohol. This incident or grewsome drama (tragedy) ought to convince all that now at last a sincere effort must be undertaken to put a stop to this traffic which in various ways works destruction and poisoning.

Early this year was initiated at Westeroes a country-wide movement against home-brewing, smuggling, and peddling. During the summer preparations for such a movement have been in progress, and at a meeting in Stockholm, the 15th of October, was constituted "Rikskomitten"—the national committee—against the illegal liquor traffic. The purpose of the committee shall be to oppose, or rather cause a thoroughgoing combat against the illegal liquor traffic. The committee in its work shall solicit the cooperation of mechanic trade groups who possess special advantages in opposing the smuggling, and organize local committees which should represent temperance societies, trade branch unions, religious associations, temperance boards, young peoples' organizations of various kinds, etc. Representatives of municipal boards or municipal trustees (aldermen) are to be requested to participate in the work.

The "Rikskomittee" is fully conscious of its inability alone to accomplish anything. It craves assistance and support from all quarters, from all classes in the commonwealth, and from all groups of citizens in the country. It is for such help and such support the national committee appeals herewith to all of duty and responsibility conscious citizens in the land. The national committee against the illegal liquor traffic then appeals thus to associations and individuals to support this, the launched movement against the liquor bootleggers—Spritmarodöeerna. The call is to create a peoples' opinion against these, their enemies, so strong that they will find themselves forced to stop their activities.

Appeals and other writings may be had upon request from the National Committee Against the Illegal Liquor Traffic, Tunnelgata, 19B, Stockholm.

"Rikskomitten" against the illegal liquor traffic.

Mr. SHEPPARD. Mr. President, it is unnecessary for me to prolong this debate. In my judgment, the case against the amendment has been ably and unanswerably presented by the Senator from Idaho [Mr. BORAH] and the Senator from Indiana [Mr. ROBINSON].

On the question of drinking in the United States since prohibition, I ask that an editorial appearing in the Washington Post on May 18, 1932, be read at the desk.

The PRESIDING OFFICER. The clerk will read.

The Chief Clerk read as follows:

[From the Washington Post, May 18, 1932]

POVERTY AND DRINK

A recent statement by Col. George Davis, of the Salvation Army, Chicago, is as follows:

"Out of more than a million cases we have dealt with in the past 16 months, there were only 75 bad cases of drink, and of moderate cases only 500. From October 11, 1930, to February 3, 1932, we helped 1,102,545 unemployed men. Of this number, we found 99.92 per cent drink free. * * * The number of women coming to our doors with a tale of being ruined by drink is less than 1 per cent of the entire number, whereas in former days it was a considerable proportion. In our family welfare relief work in these days we seldom find need arising from strong drink on the part of one or other of the parents, whereas in the old days it was 90 out of 100 cases. In fact, poverty from drink has almost disappeared."

If the poor are in need of social aid to-day, then, it is not drunkenness that is responsible for their plight. Would they be in better condition if they drank? Colonel Davis does not think so. On the contrary, they would be in worse. Money can not be spent for meat and drink simultaneously; the same money will not buy both. When industry is ailing and unemployment rife, the dollar is hard to get. Even when it has been earned, it will purchase no more than a dollar's worth of any commodity. Used to buy liquor, it is spent for a luxury; used to buy bread, it provides a necessity.

Colonel Davis continues: "Before prohibition the Salvation Army would gather drunks by the truck load and bus load from the saloons and park benches. To-day one would have to search high and low in every American city to find at one time 100 men and women of the type the Salvation Army used to gather by the thousands under the rule of John Barleycorn."

The VICE PRESIDENT. There are three or four amendments of the same kind. Is there objection to voting on them en bloc? The Chair hears no objection.

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

The yeas and nays were ordered.

Mr. BINGHAM. 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	Connally	Gore	La Follette
Bailey	Coolidge	Hale	Lewis
Bankhead	Copeland	Harrison	Logan
Barbour	Costigan	Hastings	McGill
Barkley	Couzens	Hatfield	McNary
Bingham	Cutting	Hawes	Metcalf
Blaine	Dale	Hayden	Moses
Borah	Davis	Hebert	Neely
Bratton	Dickinson	Howell	Norbeck
Broussard	Dill	Hull	Norris
Bulkley	Fess	Johnson	Nye
Bulow	Fletcher	Jones	Oddie
Byrnes	Frazier	Kean	Pittman
Capper	George	Kendrick	Reed
Carey	Glass	Keyes	Robinson, Ark.
Cohen	Goldsborough	King	Robinson, Ind.

Schall	Steiwer	Tydings	Walsh, Mont.
Sheppard	Stephens	Vandenberg	Watson
Shortridge	Thomas, Idaho	Wagner	Wheeler
Smith	Townsend	Walcott	White
Smoot	Trammell	Walsh, Mass.	

The VICE PRESIDENT. Eighty-three Senators have answered to their names. A quorum is present. The question is on the amendments of the Senator from Connecticut [Mr. BINGHAM], on which the yeas and nays have been ordered. The clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. GOLDSBOROUGH (when his name was called). On this vote I have a general pair with the senior Senator from Oklahoma [Mr. THOMAS]. If he were present, I understand he would vote as I intend to vote, and therefore I am at liberty to vote. I vote "nay."

Mr. HASTINGS (when his name was called). I have a general pair with the senior Senator from Alabama [Mr. BLACK]. I understand that if present the senior Senator from Alabama would vote as I intend to vote, and therefore I am privileged to vote. I vote "nay."

Mr. JONES (when his name was called). I understand that my pair, the senior Senator from Virginia [Mr. SWANSON], if present, would vote as I intend to vote. Therefore I am at liberty to vote. I vote "nay."

The roll call was concluded.

Mr. BYRNES. I have a general pair with the junior Senator from Vermont [Mr. AUSTIN]. I am advised that if he were present he would vote as I intend to vote, and therefore I am free to vote. I vote "nay."

Mr. CUTTING. On this question I have a pair with the senior Senator from Iowa [Mr. BROOKHART]. If the Senator from Iowa were present, he would vote "nay." If I were permitted to vote, I would vote "yea."

Mr. TOWNSEND. I have a general pair with the senior Senator from Tennessee [Mr. MCKELLAR]. If present, I understand he would vote as I intend to vote, and therefore I am at liberty to vote. I vote "nay."

Mr. WAGNER (after having voted in the affirmative). I have noticed that the junior Senator from Missouri [Mr. PATTERSON] did not vote. I have a general pair with that Senator and therefore withdraw my vote. I understand if that Senator were present he would vote "nay." If I were permitted to vote, of course I would vote "yea."

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

The Senator from Minnesota [Mr. SHIPSTEAD] with the Senator from Arkansas [Mrs. CARAWAY]; and

The Senator from Illinois [Mr. GLENN] with the Senator from Louisiana [Mr. LONG].

Mr. SHEPPARD. I wish to announce that the junior Senator from Arkansas [Mrs. CARAWAY] is necessarily absent, and if present would vote "nay."

The result was announced—yeas 26, nays 55, as follows:

YEAS—26

Barbour	Copeland	Lewis	Shortridge
Bingham	Davis	Metcalf	Tydings
Blaine	Hawes	Moses	Walcott
Broussard	Hebert	Oddie	Walsh, Mass.
Bulkley	Johnson	Pittman	Wheeler
Bulow	Kean	Reed	
Coolidge	La Follette	Schall	

NAYS—55

Ashurst	Dickinson	Howell	Robinson, Ind.
Bailey	Dill	Hull	Sheppard
Bankhead	Fess	Jones	Smith
Barkley	Fletcher	Kendrick	Smoot
Borah	Frazier	Keyes	Steiwer
Bratton	George	King	Stephens
Byrnes	Glass	Logan	Thomas, Idaho
Capper	Goldsborough	McGill	Townsend
Carey	Gore	McNary	Trammell
Cohen	Hale	Neely	Vandenberg
Connally	Harrison	Norbeck	Walsh, Mont.
Costigan	Hastings	Norris	Watson
Couzens	Hatfield	Nye	White
Dale	Hayden	Robinson, Ark.	

NOT VOTING—15

Austin	Cutting	Morrison	Thomas, Okla.
Black	Glenn	Patterson	Wagner
Brookhart	Long	Shipstead	Waterman
Caraway	McKellar	Swanson	

So the amendments proposed by Mr. BINGHAM were rejected.

The VICE PRESIDENT. The clerk will report the next amendment.

Mr. NORBECK. Mr. President, would it be in order for me now to offer my amendment proposing to increase the tariff tax on butter?

The VICE PRESIDENT. The amendment would now be in order.

Mr. NORBECK. I now desire to offer the amendment. I ask permission to modify it and that, as modified, it may be stated at the desk.

The VICE PRESIDENT. The amendment proposed by the Senator from South Dakota, as modified, will be stated.

The CHIEF CLERK. It is proposed, on page 245, between lines 10 and 11, to insert the following new paragraph:

(9) Butter, 4 cents per pound; oleomargarine and other butter substitutes, 8 cents per pound. The tax on the articles described in this paragraph shall apply only with respect to the importation of such articles.

The VICE PRESIDENT. The question is on agreeing to the amendment proposed by the Senator from South Dakota.

Mr. NORBECK. Mr. President, I have not assumed the pending bill to be a tariff measure, and I have voted generally against inclusion of tariff items therein, but the Senate has decided that it is a tariff bill. When first I proposed my amendment it carried a rate of 8 cents a pound on butter, which would be in addition to the present duty of 14 cents a pound. I have now modified the amendment so that it provides for only 4 cents a pound additional, which we consider an offset to the unstable currency of Canada, which gave the Canadians the American butter market when the price broke last fall. On that account the amendment will be helpful in a small way if it can be adopted.

The VICE PRESIDENT. The question is on agreeing to the amendment proposed by the Senator from South Dakota.

The amendment was rejected.

Mr. HULL. I offer an amendment, which I send to the desk.

The VICE PRESIDENT. The amendment proposed by the Senator from Tennessee will be stated.

The CHIEF CLERK. On page 244, after line 9, it is proposed to insert the following new paragraph:

The Government of the United States agrees not to increase its protective tariffs above the present level for a period of two years, or to create new barriers or impediments to trade, provided other nations shall agree to pursue a like policy.

Mr. HULL. Mr. President, I explained the purpose and purport of the amendment when it was first proposed some days ago. I may now say further that this proposal has been very elaborately and extensively discussed by leading statesmen of this and other first-class nations. It is the uniform conclusion that it is entirely feasible, and nobody thus far has really offered any substantial objection to it.

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

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

Mr. HULL. Yes.

Mr. SMOOT. Does the Senator from Tennessee really think that this Congress can bind the next Congress by any action it may take on this subject?

Mr. HULL. Of course, that is elementary.

Mr. SMOOT. That is primary.

Mr. HULL. This is a proposal, Mr. President, directed to the important commercial nations of the world, if all are willing, to take a two years' holiday or to pursue a truce for a couple of years, while we are all taking stock of the perfectly chaotic conditions in all phases of economic affairs that we have here and everywhere; and it has been generally agreed that it would be a wise course to pursue.

This is merely a proposal to that effect. Of course, it would indicate a willing disposition on our part to halt, at least for the time being, at this session of Congress, and not reach to further extremes, provided other nations are willing

to pursue a similar course. If there shall be any harm which can come from this sort of proposal, I should like for some Senator to suggest it.

Mr. BRATTON. Mr. President, may I ask the Senator from Tennessee a question?

The VICE PRESIDENT. Does the Senator from Tennessee yield to the Senator from New Mexico?

Mr. HULL. Yes.

Mr. BRATTON. The Senator from Utah [Mr. SMOOT] has suggested that this Congress can not bind a subsequent Congress; but if other nations shall agree not to raise their tariff level, would this provision operate to suspend the flexible provision of the existing tariff law in so far as duties might be revised upward?

Mr. HULL. This amendment, if adopted, would not interfere with the present substantial level of tariffs under our tariff policy. The Tariff Commission makes certain recommendations and at the same time may recommend certain increases, but all the while it seems to be pursuing, at least for the present, the same general level of tariffs. This amendment is intended to suggest that the world shall stop its radical movements of tariffs upward which one country will pursue and then immediately another country will follow suit by retaliation or by the force of the example that has been set.

Mr. BRATTON. It would be a declaration of policy against such course of action if the other nations will act in concert with us?

Mr. HULL. It would be a declaration of policy which I think if once proposed by the leading commercial and industrial countries such as ours would be gladly received and accepted to every feasible extent by most other countries in view of the extreme extent to which every sort of trade barrier and trade obstruction has been carried.

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

Mr. HULL and Mr. BRATTON asked for the yeas and nays.

Mr. HARRISON. Mr. President, I desire to make merely a brief explanation. I have voted against all reductions and all increases of tariff rates proposed as amendments to the pending bill. I am, however, going to vote for the amendment offered by the Senator from Tennessee because it proposes neither an increase nor a decrease of tariff rates but is merely a declaration of policy.

The VICE PRESIDENT. The question is on the amendment offered by the Senator from Tennessee on which the yeas and nays have been demanded. Is the demand seconded?

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

Mr. HASTINGS (when his name was called). I have a general pair with the senior Senator from Alabama [Mr. BLACK]. Not knowing how he would vote, I withhold my vote. If permitted to vote, I should vote "nay."

Mr. TOWNSEND (when his name was called). I have a general pair with the senior Senator from Tennessee [Mr. MCKELLAR], who is unavoidably detained from the Senate on account of illness. Not knowing how he would vote, I withhold my vote.

Mr. WAGNER (when his name was called). I have a pair with the junior Senator from Missouri [Mr. PATTERSON]. I am informed that if he were present he would vote "nay." If I were permitted to vote, I should vote "yea."

The roll call was concluded.

Mr. BYRNES. I have a general pair with the junior Senator from Vermont [Mr. AUSTIN]. I transfer that pair to the Senator from Illinois [Mr. LEWIS] and will vote. I vote "yea."

Mr. WAGNER. I find I can transfer my pair with the junior Senator from Missouri [Mr. PATTERSON] to the senior Senator from Nevada [Mr. PITTMAN]. I make that transfer and will vote. I vote "yea."

Mr. JONES. I have a general pair with the senior Senator from Virginia [Mr. SWANSON]. I transfer that pair to the Senator from Colorado [Mr. WATERMAN] and will vote. I vote "nay."

Mr. GOLDSBOROUGH. I have a general pair with the senior Senator from Oklahoma [Mr. THOMAS]. Not knowing how he would vote if present, I withhold my vote.

Mr. SHEPPARD. Mr. President, I desire to announce that the Senator from Illinois [Mr. LEWIS], the Senator from Nevada [Mr. PITTMAN], and the Senator from Oklahoma [Mr. THOMAS] are necessarily absent on account of official business.

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

The Senator from Illinois [Mr. GLENN] with the Senator from Louisiana [Mr. LONG]; and

The Senator from Minnesota [Mr. SHIPSTEAD] with the Senator from Arkansas [Mrs. CARAWAY].

The result was announced—yeas 34, nays 42, as follows:

YEAS—34

Ashurst	Coolidge	Hawes	Stephens
Bankhead	Copeland	Hull	Trammell
Barkley	Costigan	King	Tydings
Bratton	Dill	Logan	Wagner
Bulkley	Fletcher	McGill	Walsh, Mass.
Bulow	George	Neely	Walsh, Mont.
Byrnes	Glass	Robinson, Ark.	Wheeler
Cohen	Gore	Sheppard	
Connally	Harrison	Smith	

NAYS—42

Bailey	Davis	Keyes	Schall
Barbour	Dickinson	La Follette	Shortridge
Bingham	Fess	McNary	Smoot
Blaine	Frazier	Metcalf	Steiwer
Borah	Hale	Moses	Thomas, Idaho
Broussard	Hatfield	Norbeck	Vandenberg
Capper	Hebert	Norris	Walcott
Carey	Howell	Nye	Watson
Couzens	Johnson	Oddie	White
Cutting	Jones	Reed	
Dale	Kean	Robinson, Ind.	

NOT VOTING—20

Austin	Goldsborough	Long	Shipstead
Black	Hastings	McKellar	Swanson
Brookhart	Hayden	Morrison	Thomas, Okla.
Caraway	Kendrick	Patterson	Townsend
Glenn	Lewis	Pittman	Waterman

So Mr. HULL's amendment was rejected.

The VICE PRESIDENT. The clerk will state the next amendment.

The CHIEF CLERK. The next amendment is on page 245, after line 4, where the committee proposes to insert:

(8) Rubber, 5 cents a pound.

Mr. VANDENBERG. Mr. President, that is not the next amendment. We are on page 247.

The VICE PRESIDENT. That was passed over last night. Is it desired to return to it now?

Mr. HARRISON. Mr. President, was it not the understanding that rubber was to come following the conclusion of the automobile items?

Mr. VANDENBERG. We have not concluded the automobile items.

Mr. HARRISON. I say, was it not the understanding that rubber was to follow those items?

Mr. VANDENBERG. That was my understanding.

The VICE PRESIDENT. The next amendment will be stated.

The next amendment was, on page 247, line 4, after the word "tractors" and the comma, to strike out "3 per cent" and insert "4 per cent," so as to read:

(b) Other automobile chassis and bodies and motor cycles (including in each case parts or accessories therefor sold on or in connection therewith or with the sale thereof), except tractors, 4 per cent. A sale of an automobile shall, for the purposes of this subsection, be considered to be a sale of the chassis and of the body.

The VICE PRESIDENT. The question is on agreeing to the amendment of the committee.

Mr. VANDENBERG. Mr. President, I move as a substitute that subsection (b) be stricken from the bill.

I do not intend to repeat the argument I made last evening, to which the Senate listened very generously and with some partial response, at least.

I hope that the committee amendment—which, under the parliamentary situation, must be submitted first—will be defeated.

Mr. SMOOT. Mr. President, under the House provision of 3 per cent there would be a revenue of $44,000,000. Under the 4 per cent of the committee amendment there would be a revenue of $58,000,000, or a difference of $14,000,000 involved in the Senate amendment.

The VICE PRESIDENT. The question is on agreeing to the amendment of the committee.

Mr. HARRISON. I call for the yeas and nays.

The yeas and nays were ordered.

Mr. DILL. Mr. President, what is the amendment we are about to vote on?

The VICE PRESIDENT. The amendment is the committee amendment, which will be stated to the Senate.

The CHIEF CLERK. On page 247, line 4, in the item "Other automobile chassis," etc., it is proposed to strike out "3 per cent" and insert "4 per cent."

Mr. DILL. But the Senator from Michigan [Mr. VANDENBERG] said he wanted to strike out the whole section.

The VICE PRESIDENT. Under the rule, the item proposed to be stricken out must first be perfected.

Mr. DILL. That is what I wanted to be certain of.

The VICE PRESIDENT. The clerk will call the roll on agreeing to the committee amendment.

The Chief Clerk proceeded to call the roll.

Mr. HASTINGS (when his name was called). Making the same announcement as on the last roll call, I withhold my vote. If at liberty to vote, I should vote "yea."

Mr. REED (when his name was called). I have a general pair with the senior Senator from Arkansas [Mr. ROBINSON]. I understand that he would vote on this question as I shall vote. Therefore I am at liberty to vote, and vote "yea."

Mr. TOWNSEND (when his name was called). Making the same announcement as heretofore of my general pair, I withhold my vote.

Mr. WAGNER (when his name was called). I transfer my pair with the junior Senator from Missouri [Mr. PATTERSON] to the senior Senator from Nevada [Mr. PITTMAN], and will vote. I vote "nay."

The roll call was concluded.

Mr. BINGHAM. Has the junior Senator from Virginia [Mr. GLASS] voted?

The VICE PRESIDENT. That Senator has not voted.

Mr. BINGHAM. Having a general pair with that Senator, I withhold my vote. If at liberty to vote, I should vote "yea."

Mr. JONES. I have a general pair with the Senator from Virginia [Mr. SWANSON], who is necessarily absent. I therefore withhold my vote.

Mr. THOMAS of Oklahoma. On this question I have a pair with the junior Senator from Maryland [Mr. GOLDSBOROUGH]. If he were present, I understand that he would vote "yea," and if I were at liberty to vote, I should vote "nay."

Mr. BYRNES. I transfer my pair with the junior Senator from Vermont [Mr. AUSTIN] to the junior Senator from Illinois [Mr. LEWIS], and will vote. I vote "nay."

Mr. BULKLEY (after having voted in the negative). Has the junior Senator from Wyoming [Mr. CAREY] voted?

The VICE PRESIDENT. That Senator has not voted.

Mr. BULKLEY. I feel constrained to withdraw my vote on account of having a pair with that Senator.

Mr. HASTINGS. I transfer my pair with the Senator from Alabama [Mr. BLACK] to the Senator from Colorado [Mr. WATERMAN], and will vote. I vote "yea."

Mr. DICKINSON. I desire to announce the pair of the senior Senator from Iowa [Mr. BROOKHART] with the junior Senator from Montana [Mr. WHEELER]. If the Senator from Iowa were present he would vote "nay," and if the Senator from Montana were present, he would vote "yea."

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

The Senator from Minnesota [Mr. SHIPSTEAD] with the Senator from Arkansas [Mrs. CARAWAY]; and

The Senator from Illinois [Mr. GLENN] with the Senator from Louisiana [Mr. LONG].

Mr. SHEPPARD. I desire to announce that the senior Senator from Arkansas [Mr. ROBINSON] is necessarily detained on official business.

The result was announced—yeas 29, nays 42, as follows:

YEAS—29

Ashurst	Fletcher	Hebert	Smoot
Barbour	George	Kean	Walcott
Barkley	Gore	King	Walsh, Mont.
Bratton	Hale	McGill	Watson
Broussard	Harrison	Metcalf	White
Connally	Hastings	Neely	
Dickinson	Hatfield	Reed	
Fess	Hayden	Sheppard	

NAYS—42

Bailey	Couzens	La Follette	Smith
Bankhead	Cutting	Logan	Steiwer
Blaine	Dale	McNary	Stephens
Borah	Davis	Moses	Thomas, Idaho
Bulow	Dill	Norbeck	Trammell
Byrnes	Frazier	Norris	Tydings
Capper	Hawes	Nye	Vandenberg
Cohen	Howell	Oddie	Wagner
Coolidge	Hull	Robinson, Ind.	Walsh, Mass.
Copeland	Johnson	Schall	
Costigan	Keyes	Shortridge	

NOT VOTING—25

Austin	Glass	McKellar	Thomas, Okla.
Bingham	Glenn	Morrison	Townsend
Black	Goldsborough	Patterson	Waterman
Brookhart	Jones	Pittman	Wheeler
Bulkley	Kendrick	Robinson, Ark.	
Caraway	Lewis	Shipstead	
Carey	Long	Swanson	

So the amendment of the committee was rejected.

Mr. HARRISON. Mr. President, of course all of us can appreciate how difficult it is to have to vote for these obnoxious nuisance taxes, but I just want to make this observation. For some three or four weeks the members of the Committee on Finance heard witnesses and considered the various proposals brought before the committee. No member of that committee wanted to put this or that tax on this or that industry. Various plans were suggested to us as to how to raise the revenue, and we gave to the Senate the very best judgment of which we were capable, in order to balance the Budget and make receipts and expenditures balance.

I do not find fault with Senators who want to vote one way or the other, whether it is on a tariff item or some other item. Certain Senators may be under obligations or pledge to some constituents to vote for or against this or that item. We are all in the same boat; we have to go back home and answer to our respective constituencies as to why we voted this way or that way.

However, Mr. President, we are getting into a very bad mess with this tax bill. We all ought to strive to get something that will balance the Budget.

By the vote just taken, we struck $14,000,000 from the bill. We will have to raise that in some other way. We struck out of the bill as it passed the House certain provisions with reference to candy, jewelry, and some other things, and we can raise a little money by putting those items back. But the way we are going, we are going to strike this item and that, and after a while we will have to raise probably a hundred or a hundred and twenty-five million dollars on some other items.

I look into the faces of gentlemen here who sat for three weeks across the table and by me in the committee room, who had the courage to vote to increase this item and that, upon roll calls, and voted to make the roll calls public. They did not shun publicity of what they did.

When the Secretary of the Treasury came before us and laid a plan before us which might reconcile our differences, we went on record and said that we were going to stand by that. It did not affect the estate tax, it did not affect the income tax, but it affected the various excise taxes.

Nobody in the Senate can have his particular way as to whether a tax ought to go on candy or jewelry or on other things. We can not write a tax bill here upon the floor of the Senate very well. When we strike this item and that, we are getting into a more confused state all the time.

We picked out automobiles to tax because we did not believe in the sales tax, and did not want to impose it. There are gentlemen here upon the floor of the Senate who are voting to strike out this item to raise revenue and are going to vote against that one, simply because they think that after a while there will be such a deficit created that we will have to resort to the sales tax.

Mr. REED. Mr. President——

Mr. HARRISON. I do not include the Senator from Pennsylvania, because I know he is not doing that. He voted for the amendment. I am not attempting to criticize; I am simply stating the situation as it exists.

Other Senators may be voting against this automobile tax in the hope that they can put over a proposition to put a higher tax on incomes, and others perhaps, for other reasons.

What I would like to impress upon the Senate is this, that whether we made a bad job of it or not, Senators ought at least to resolve the doubt in favor of the committee, which certainly laboriously worked to try to bring in a plan which might raise the needed revenue.

The automobile tax, of course, is obnoxious; but Congress has before placed a tax on automobiles. The tax was not removed entirely until 1928. In this proposed tax of 4 per cent we are not going as high on automobiles as we went in 1924, because the tax then was 5 per cent. We have not put the tax on trucks as high as it was in 1924, and did not attempt to, and did not put the tax on accessories as high as it was in 1924. We are merely trying to raise some money, and by the last vote, as I have said, $14,000,000 has been stricken from the bill.

I am, therefore, going to suggest, merely in the interest of trying to reconcile our differences here, and expedite consideration of the bill, and to clear up all the confusion which now exists and which will grow in the consideration of the bill, that those gentlemen who are interested in the sales tax present their amendment now, before we take up the admission tax, before we take up the tax on accessories, before we take up the rubber item, and these innumerable other excise taxes; that the sales tax amendment be presented to the Senate so that we can vote upon it. If a majority votes for it, very well—then we will have settled it; we will have put behind us some of these very irksome taxes and we will know where we are. We can save days and days and days of labor and conclude the consideration of the bill if the majority of the Senate is for the sales tax.

Let us not continue this situation of Senators who are leaders, who are members of the Committee on Finance, who have gone on record for these matters, who have gone on record to accept the compromise proposition presented by the Secretary of the Treasury, now voting against this item and that item. Let us settle the sales-tax matter now, and if there is not a majority of the Senate for it, then let us go about our work to adopt the recommendations or discard them one by one, and then afterwards we can take up again the amendment of the Senator from Michigan or the amendment of the Senator from Texas and raise the revenue from the sources they suggest.

I have entered several motions to reconsider the votes on some of the House provisions—on jewelry, on yachts, and various other things—and we can recur to them.

It seems to me, Mr. President, since we took votes in the beginning on the surtaxes and income taxes and the Senate expressed itself, and then took up the beer question and expressed itself on that, and those things are, for the time being at least, behind us, that we ought to take up the sales tax now and get it behind us, and we can then proceed at a faster gait.

I appeal to Senators who are for the sales tax to offer the sales tax amendment now, or, if they do not want to offer it now, let us stop killing this proposition and that proposition and take an adjournment until they can get the amendment ready so as to offer it to-morrow, so that we can get a vote and conclude the consideration of the bill at an early day.

Mr. LA FOLLETTE. Mr. President, I agree with the Senator from Mississippi that it would be well to have a vote on the sales tax, so that we might know whether that method of taxation is to be employed in lieu of these so-called special excise taxes. But what I particularly wished to say at this moment was in connection with the impression which I think is to be drawn from the remarks of the Senator from Mississippi.

I believe I am really standing by the committee—that is, standing by the action of the committee as a result of two and a half weeks of deliberation—in the votes which I have thus far cast.

The committee really did not spend any time considering the proposal contained in this particular section of the bill for increases over the House rates on automobiles, nor did it give any time to the consideration of the reductions of the tax on admissions. What the committee really did was to work for several weeks and finally get a bill in shape, and then the Secretary of the Treasury came up with a little typewritten slip of paper, and, without having an opportunity to vote separately on the items contained on that slip of paper, we voted en bloc.

As a member of the committee, I was one of those who voted against the so-called compromise proposal presented by the Secretary, because I believed that the work of the committee after two and a half weeks had produced a bill which was more equitable than the bill suggested by the Secretary in his compromise.

Of course, the Secretary characterized it as a bill of atrocity, but nevertheless in all sincerity I believed that the bill as worked out by the committee at the end of its deliberations was a more equitable measure for raising the revenue required than was the compromise of the committee after a few moments' discussion with the Secretary of the Treasury.

So far as I am concerned, thus far in the consideration of the bill I have voted to stand by the action taken by the committee during its two and a half weeks of deliberation. The committee never considered increasing the tax on automobiles above the House rate. We accepted the House rate; that is, we accepted it up until the time the so-called compromise suggested by the Secretary was adopted one morning.

Therefore, I do not wish to be put in the position by the Senator from Mississippi of having abandoned the work of the committee. As a matter of fact, I believe that the work of the committee was abandoned by the committee itself, when, after two and a half weeks of arduous labor, it threw its work out of the window, and accepted this compromise of the Secretary without having an opportunity to vote separately on a single item contained in it.

As a matter of fact, the record will show that the senior Senator from California [Mr. SHORTRIDGE] endeavored to secure a separate vote on the reduction of the admission tax from 45 cents, as provided by the committee after we had gone over the matter, to 10 cents, as provided in the suggested compromise of the Secretary, and he was unable to do so.

I merely wished to make this statement because I do not want the impression to be left without note that members of the committee had abandoned the position which the committee itself had taken.

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

Mr. LA FOLLETTE. I yield for a question. I am ready to yield the floor.

Mr. BINGHAM. Does the Senator remember that in connection with the effort of the Senator from California to lower the admission tax, no vote was taken upon that proposition? The vote was taken upon the proposition of the Senator from California to reconsider our vote whereby we had adopted the so-called compromise plan.

Mr. LA FOLLETTE. No; I think the Senator is mistaken. I think the Senator from California endeavored to secure a separate vote in the committee and that those who were in favor of the compromise program suggested by the Secretary

adopted a motion to consider the propositions en bloc, and we were forced to swallow it at one gulp or not take it at all.

Mr. BINGHAM. The Senator is referring to something which happened previously.

Mr. LA FOLLETTE. Subsequently the Senator from California renewed his motion to get a vote on the admissions matter separately, but the Senator from Connecticut and one other Senator had been alert enough, soon after the compromise proposal was adopted, to move its reconsideration and then move to lay the motion on the table, which was carried, and thus all reconsideration was precluded except by unanimous consent.

Mr. BINGHAM. But the Senator remembers that the next morning the Senator from California did move to reconsider the vote whereby we had adopted the compromise plan, and that motion was lost.

Mr. LA FOLLETTE. He only got a chance to make that motion when it became perfectly obvious to those behind the compromise program that his motion would not carry. In order to curtail the interesting remarks of the Senator from California they agreed to let him have a vote on it, but, as a matter of fact, the Senator from Connecticut himself made the point of order that the Senator's motion was out of order.

Mr. BINGHAM. Not against the Senator's motion to reconsider, but against the Senator's motion to lower the admission tax.

Mr. LA FOLLETTE. No; I think the Senator is mistaken about that.

Mr. SMOOT. I have the record here.

Mr. BINGHAM. Let the record be read.

Mr. LA FOLLETTE. I yield the floor.

Mr. SHORTRIDGE. Read the record. I know what I was trying to do.

Mr. SMOOT. The record shows the following:

Senator SHORTRIDGE moved that the committee reconsider its action in lowering the exemption of section 711, tax on admissions, from 45 cents to 10 cents. The motion to reconsider was defeated by the following vote: Yeas 6—SHORTRIDGE, COUZENS, LA FOLLETTE, CONNALLY, GORE, and HULL; nays 12—WATSON, REED, KEYES, BINGHAM, THOMAS of Idaho, METCALF, HARRISON, KING, GEORGE, WALSH of Massachusetts, BARKLEY, SMOOT.

Mr. SHORTRIDGE. Mr. President, of course history will take note of what the committee did. I trust the historian will make our record perfectly clear to posterity.

Mr. SMOOT. It is in the RECORD now.

Mr. SHORTRIDGE. It is in our record, but I am thinking of history and of the centuries to come. Not to waste time or indulge in levity, the House bill placed a tax on tickets of 46 cents or over. Upon the suggestion of one of its members, the Senate Committee on Finance first struck out "46" and inserted "45" cents. Thereafter, as stated, and the record discloses, it was reduced to the figure shown in the bill as reported to 11 cents. I then made a very earnest effort to reconsider and to stand upon what the committee had theretofore agreed upon. The result of my motion was, as stated, a vote of 6 to 11.

Mr. MOSES. Mr. President, while history is being rewritten and the fact is being divulged that the Senate acts upon its own convictions without much reference to what is done in committee rooms, I would like to say for the benefit of the Senator from Mississippi [Mr. HARRISON] that there are many of us here who recognize his seductive qualities; but since we are earnest and have a conviction in favor of the sales tax and intend to press that question at the proper moment, I serve notice on him as one of that group that my virtue at least is intact and I have no intention of departing from the orderly procedure with this bill.

Mr. REED. Mr. President, just a word in respect to the suggestion of the Senator from Mississippi and then a word on something that seems to me to be of vastly more importance. I have looked at the list of the 29 Senators who voted in favor of sustaining the committee action. I know of my own knowledge that 16 out of the 29 who voted to sustain the committee favor the sales tax. I have looked at the list of those who were paired in favor of the committee's amendment, which has just been rejected by the Senate, and of the seven Senators who were paired in favor of the committee amendment I know of my own knowledge that five are in favor of the sales tax. So I do not think it fairly can be said that those who favor the sales tax are trying to break down the action of the committee.

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

Mr. REED. I yield.

Mr. HARRISON. Of course, I do not say that everybody who favors the sales tax is trying to do that. I tried to make a very fair statement. I said some of them were. The thing I was trying to impress on the Senator and the Senate was that it would be much better if we could settle the sales-tax question now. Does not the Senator recognize that some Senators who are for the sales tax are voting against these committee propositions?

Mr. REED. I hope that is not so. I know no one can be more ardent in advocating the sales tax than myself, and yet I feel the responsibility is so great upon us to sustain the action of the committee while we are going through these committee amendments that I expect to vote for the committee amendments right straight down the list, and then to appeal to every other advocate of the sales tax to do the same thing. When we have finished, when we have gone through the committee list, when we have put on all these special unfair taxes on particular industries, then I think it will be obvious to the great majority of the Senate that the sales tax which is uniform at a low rate is vastly preferable, and I hope then that the condition of the bill as they see it, with the committee amendments adopted, will be such as to recommend the sales tax to the Senate.

It would be a wrong policy, and I agree with the Senator from Mississippi about that, for us to try to slaughter the committee's work and expect that the bill should become such a mess that we would be driven to resort to the sales tax. I do not think that is a sound policy. I believe we can safely adopt the committee amendments, and then, contrasting them with the sales tax, we will have argument enough in favor of it.

Mr. HARRISON. Would not the Senator favor the sales-tax amendment's being offered now, and let us get through with it, or adjourn until to-morrow and fix a definite time to work it out?

Mr. REED. I have nothing to do with offering the sales-tax amendment. As the Senator knows, it has been proposed by the Senator from Massachusetts [Mr. WALSH] and he will follow his own counsel and present it when he gets ready. I think it is true that it is better to go through with the committee bill so the Senate may see the picture and know the contrast between the sales tax on the one hand and the committee bill on the other, than it is to put up the sales tax now and ask it to compete with an uncertainty. We do not know what is the alternative of the sales tax.

Mr. HARRISON. I know there are a good many over here who are not going to stand for this condition very much longer.

Mr. REED. That is a question to be settled by Senators who are going to offer the sales-tax amendment.

Mr. President, I want for a moment to address myself to something that seems to me to be very much more serious.

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

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

Mr. REED. I yield.

Mr. FESS. I would like the Senator to yield long enough for me to say that he has stated my position exactly. I am not a member of the committee. I am voting for these excise taxes not because I think they are wise but because I think we have got to balance the Budget, and the question will lie between this way and the other way. I am going along with the committee under protest, and then when the sales tax is offered I shall vote to choose that rather than the excise tax.

Mr. REED. That is exactly my position. I want in all sincerity to make the committee bill just as good as I can and sustain it in its integrity so that when the alternative comes, when the dilemma is presented, we will have been

completely fair to the committee bill, and if we lose on the sales tax then at least we shall have a decent bill as the alternative.

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

Mr. REED. Certainly.

Mr. BANKHEAD. The Senator and others have referred to these taxes on the automobile industry as excise taxes.

Mr. REED. They are.

Mr. BANKHEAD. I should like to know the difference between the taxes under consideration now and the sales tax.

Mr. REED. There is no difference. All the taxes that the Senator will find in section 602 and the sections which follow are sales taxes at varying rates, as low as 3 per cent on chewing gum and as high as 50 or 55 per cent on lubricants. It is a sales tax bill that could be written better by 50 of the present occupants of St. Elizabeths, but it is a sales tax nevertheless.

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

Mr. REED. Certainly.

Mr. LOGAN. Do I understand from what the Senator said that if we adopt the amendments proposed by the committee, then when the sales-tax provision is proposed if it is adopted it will be substituted for some of the amendments of the Finance Committee?

Mr. REED. For practically all of those in section 600 and the sections following under that title.

Mr. LOGAN. Then if I understand the facts correctly, voting for the committee amendments will not prevent the elimination of these taxes if the sales tax is adopted?

Mr. REED. Precisely. The Senator has it right.

Mr. President, the eyes of the whole world are on the Senate at this minute—not only the eyes of the United States but the eyes of the business men, the financiers, the bankers, the statesmen of the entire world are on us now. What we do will determine the standing of America in respect to commercial integrity in the eyes of the whole world and in the eyes of history.

Hungary to-day has a moratorium for all debts. It is expected and frankly stated in the newspapers that before more than three or four days have passed Austria will be forced likewise to go on a moratorium. Most of the nations of the Baltic are expected to follow suit in short order. The Danubian conference was a failure. Southeastern Europe is on the verge of public and private bankruptcy. Hardly any country in Europe remains upon the gold standard. Switzerland, Holland, France, and Belgium are conspicuous exceptions, but even France and Belgium are on a gold standard which has very drastically reduced the value for their unit of currency. France in effect repudiated 80 per cent of her currency and then went on the gold basis for the 20 per cent that was left.

America stands almost alone in the civilized world as having preserved the integrity of her currency, having kept her promise to all of her creditor class, to all of those from whom she herself has borrowed in the war time and since then. The world is cynical of our ability to maintain our good resolutions. The world is cynical of our ability to keep our financial self-respect and to show the courage that is necessary to maintain a sound currency. The best proof of the fact that the world is cynical is the list of foreign-exchange quotations which we see printed every day on the financial pages of our newspapers.

At the present moment almost all of them are over the gold-export point. We lost last week, I am told, approximately $127,000,000 in gold exported from this country, drawn from us in just the same spirit that a frightened few depositors draw out their deposits from some bank about which rumors have been circulated. It is exactly the same in the shipments of gold across the ocean as in the payment of bills at a bank that is under suspicion. Exactly the same thing is happening to us as a Nation. Our depositors are making a run on the bank. They are going to keep it up until their confidence is restored.

We can stand that run for a considerable time. Thanks to that law which we all united in passing, for which no one side and no one person really deserves credit—the Glass-Steagall bill, which we all united in passing—we have made available for these withdrawals a large part of our stock of gold that would not otherwise be available. We can stand the run a long time, a much longer time than most of our depositors think we can. But there is an end, of course. They have taken a large part of that gold now. There is an end to the run that we can stand. That is true of every country just as it is true of every bank. If all the depositors of the strongest bank on earth appeared at that bank suddenly some morning and demanded 100 per cent of their deposits, either it is not a bank at all or else it would not be able to pay them. That is true of every country. That process of withdrawal, Mr. President, will stop the very instant the world knows that we here in this Chamber have the courage to balance our National Budget, to pay as we go, to maintain our money in its present soundness. Just so soon as we show the will to balance the Budget our troubles will be over.

Mr. President, it is not patriotic for us—and I include myself—to weigh these questions by deciding whether we would like or dislike to put this or that tax on a particular business. I do not like to put a tax on the automobile industry. Its prosperity means the prosperity of millions of our citizens, and I do not want to do anything to impede it. It is not a question whether or not we want to tax the automobile business. We do not; all of us do not. We do not want to put on any new taxes. The question is very much bigger than that; it is very much bigger than what the automobile manufacturer or the automobile dealer or the automobile driver wants. It is a question of the preservation of the soundness of their country and that must take precedence of the wishes of any business. That is why we may, properly enough, answer the torrent of letters that pours in on us from each business that dreads or dislikes a tax that there is something bigger than their preference at stake.

Presently we are going to vote on a motion to strike out what is left of the tax on passenger cars. We would all like to strike it out; nobody likes to create new taxes and put them on legitimate industries, but, Mr. President, when we are deciding that question, let us decide also what other business we shall single out to tax if we are going to exempt this one, because striking out taxes is not enough; striking out taxes accomplishes nothing, unless someone will find another source of revenue to substitute for that which we forswear.

So I beg, Mr. President, that the Senate will continue the consideration of this bill with a sober realization of what is involved. It is more than the convenience of taxing this one or that one; it is a question that goes to the very life of our Nation.

Mr. HAWES, Mr. CUTTING, and Mr. CONNALLY addressed the Chair.

The VICE PRESIDENT. The Chair recognizes the Senator from Missouri.

Mr. HAWES. Mr. President, I think every Senator realizes that the Finance Committee were confronted with a most difficult and intricate problem. I have not been able to find in the CONGRESSIONAL RECORD, either of the House proceedings or the Senate proceedings, a disposition to avoid an honest endeavor to balance the Budget, but to-day I have listened to discussions of what happened within the Finance Committee, of the various roll calls, of the opinion expressed of this member and the opinion of that member of the committee, and how they arrived at their conclusions, the intimation being that they were hurried in their conclusions, but that is not going to affect my judgment. My responsibility is to decide individually the best course to pursue.

I agree with the Senator from Mississippi and the Senator from Pennsylvania, that the time has come for perfect frankness.

We know now, of course, that Hungary and Austria and other countries are in trouble, and it may be they will look to us for inspiration, but I want to say now that I have decided, in my mind, to support a manufacturers' sales tax, eliminating from its operation food, drugs, clothing, and agriculture. I believe that if that question had been presented to the House in a clear-cut form it would have passed the House, and I believe if the Senate sends it back to the House, after that body has had an opportunity to reflect and to see the other side of the question, a manufacturers' sales tax, restricted in the manner I suggest, will be acceptable to the House as a revenue-raising measure.

Mr. HARRISON. Mr. President, will the Senator from Missouri yield to me?

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

Mr. HAWES. I yield.

Mr. HARRISON. I find no fault with the Senator from Missouri for favoring a sales tax, but does the Senator think that it might promote a more orderly procedure here if it should be offered now so that we could vote on the proposition before we take up the other items in the bill?

Mr. HAWES. No; I disagree with the Senator's political psychology.

Mr. HARRISON. Let me ask the Senator one other question. Does the Senator think it is just and fair to those of us who are voting for the provisions now in the bill, to whom these various taxes are just as objectionable as they are to the Senator from Missouri and others who may believe in a sales tax, for us to be going upon the record and voting for them while the Senator and others who want to get the sales tax are voting against them in the hope that after a while there will be such a deficit that we will have to take it?

Mr. HAWES. No; I do not think it is quite fair; I think it is an injustice to men to be compelled to vote for things of which they do not approve, but upon which they are compelled to take a position through force of circumstances. I think it is unfair, and I wish it could be avoided; but, as for me, I think the time has come for perfect frankness. I believe in a broader spread of taxation than to put the burden upon a few. Why should we not reach that conclusion?

I think the Senator from Mississippi has the courage of his convictions, and I have very great respect for the Senator from Pennsylvania, who follows the committee, and for the Senator from Wisconsin; but what the committee has done is one thing, and what individual Senators here will do is another thing.

Mr. HARRISON. May I ask the Senator another question?

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

Mr. HAWES. I yield.

Mr. HARRISON. If that is going to be the attitude, then why should Senators on the floor of the Senate follow their colleagues on the committee? I always follow my colleagues on a committee—I am an organization man—because I have faith in them, and I think that some of us may properly expect the same treatment from others.

Mr. HAWES. As Members of the House of Representatives the Senator and I came to understand that the committee that reported this measure to the House was an intelligent and hard-working committee, and we followed that committee—at least I did. So in the Senate I usually follow the committees, but in this case I think the decision was not upon the merits of the case but upon political psychology and the fear of not being able to pass this measure through the House. In that respect I disagree with the Senator from Mississippi. I believe, after we vote down the nuisance taxes, the objectionable taxes, such as the automobile tax, such as the tax which would compel every man who draws a check to put a stamp upon it, such as the tax on the amusements of the people out of all proportion to the profits from the business, and when the House knows that the Senate has discussed all these questions and is sending back to that body a limited sales tax, understanding its limitations, that there will be a reversal of opinion in the House. So I am not failing to follow the judgment of the committee, but I think the committee is wrong in its political psychology.

Mr. HARRISON. Mr. President, before the Senator yields the floor may I ask him another question. I find no fault with the Senator for thinking that the sales tax may pass the House; it may; I do not believe anybody can tell whether it will or not; but I was so much interested in the question that I went over there to make an investigation. I talked about the matter with the very highest Members there, including those who supported it and those who opposed it, numbering not less than 25 or 30, and I came to the conclusion that because of the large vote against it, 70 on one occasion and 75 on another, it could not possibly pass.

The Senator thinks it might pass. That is all right; but why can we not get a vote on the proposition now instead of waiting for a while? If the attitude of those who are for the sales tax is going to be to vote down the various proposals reported in the bill and then after a while take up the sales tax, I suggest that now, by unanimous consent, all the recommendations of the committee may be rejected, embodying in the agreement that a motion to reconsider will be in order and may be made, and then that the sales-tax amendment be taken up. I am willing to follow that procedure, but there is no use spending the remainder of this week voting on the various proposals in the bill, the Senate committee being repudiated every time and the provisions being eliminated by the votes of Senators who want to balance the Budget just as much as those of us who are sponsoring the provisions of the committee bill, but who will vote against those provisions in the hope of putting over a sales tax.

Mr. VANDENBERG. Mr. President——

Mr. WALSH of Massachusetts. I should like the floor, Mr. President.

The VICE PRESIDENT. The Senator from Michigan is recognized.

Mr. VANDENBERG. As the author of the pending substitute, which seems to have precipitated this debate, I am particularly challenged by some of the critical observations submitted by the able and earnest senior Senator from Pennsylvania [Mr. REED]. Even though I may be disagreeing en route through this bill with some of the recommendations brought in by the Finance Committee as a result of the mandate of the Secretary of the Treasury, there is no reason why any inference should be suggested or any assumption reached, either in or out of the Chamber, that I am any less concerned about balancing the Budget and about completing an adequate revenue bill than is the distinguished Senator from Pennsylvania himself.

I would be the last man to leave this Chamber without a balanced Budget and an adequate provision of public revenue. I will vote to tax any source of revenue which is ultimately necessary in order to balance the Budget. But I am unable to concede that there is anything at variance with this objective or unpatriotic in any of its implications if Senators undertake to perfect the bill before it comes to a finality. This is said with entire respect for the members of the Finance Committee, who have given complete devotion to their difficult task.

But what are Members of the Senate to do when they reach these various amendments in due order? Are they to voice the convictions that are in them respecting the effect of these amendments upon the welfare of America or are they to sit supinely silent, simply because they confront the recommendation of the Finance Committee? Is this a sacrosanct mandate, beyond improvement, or is it a recommendation directed to the Senate's free judgment?

What am I to do when I confront amendments putting utterly discriminatory and hobbling taxes upon the automotive industry? Am I to sit silent in the face of them, when in my judgment they will do infinitely more harm to the commercial structure of America than anything else that has been done legislatively in the last three months?

When that is my sincere conviction, am I to pass it by and not give those in the Senate who agree with me an opportunity to register their conviction accordingly?

The Senator from Pennsylvania [Mr. REED] says that the pending problem is much bigger than a question of what the automobile manufacturers want. That is entirely correct; and the reason why I have submitted amendments to strike out these automobile taxes is because I believe the automobile taxes are infinitely bigger than anything that the automobile industry itself wants or any automobile driver wants, and bigger, even, than the wisdom of the great Finance Committee itself. I believe it is the key industry in America, through which a trade resurgence can be best stimulated. I know that this is the industry which saved America in one other depression. I know that it is the industry which reaches out and touches over a wider sphere more collateral industry, more labor, more related capital, more related activity, more jobs, more trade than any other industry in this land; and I know that if it is permitted to proceed unhampered and unhobbled in the plans which it has dared to make in the face of this depression, it will make a larger practical contribution to the commercial rejuvenation of the United States in terms of actual employment and trade than all the legislation we can pass within these halls. I know that these proposed discriminatory taxes are clearly calculated, in the opinion of those best qualified to judge, to curb these courageous plans and discourage their success in the American market place.

If that is my conviction, is it patriotic or is it not, to propose that this stimulating influence shall be released and encouraged in the economic life of the United States?

The Senator from Pennsylvania says that it is not patriotic to say that we like or dislike any specific tax; that we must think of the problem as a whole. That is precisely the only basis upon which I have submitted this automotive appeal to the Senate of the United States. I have not asked for a single discriminating favor in behalf of this industry. I have said that it is ready to take its full share of any kind of a universal tax which is put upon it equally with other industry in this land. I have not sought any special privilege for them. They ask no favor from this Government or from this Congress. They only ask for a free, fair chance on a parity with other industry in this land to go ahead in the brave prospectus which they have dared to write in the face of this depression, and which, if they are permitted to proceed, I repeat, is calculated to do more for commerce in America than any other influence that can be released in our economic life. It is precisely because I insist upon thinking of the problem as a whole, patriotically, I hope, that I am forced into disagreement with the Finance Committee respecting these particular amendments.

So, Mr. President, I can not consent by my silence to any suggestion from the Senator from Pennsylvania that there is anything lacking in patriotism or in devotion to the cause of the country in persisting in a presentation of economic realities to the Senate in respect to these various items as we come to them in this bill. When those items have been discussed upon their merits, and when the judgment of the Senate has been taken, I am satisfied to take the conclusion; and whatever that conclusion finally calls for by way of additional or substituted revenues in order to balance the Budget, I would stay here forever before I would leave without concluding precisely the type of a response to our fundamental Treasury obligation for which the patriotic Senator from Pennsylvania himself pleads.

Mr. WALSH of Massachusetts. Mr. President, I resent the insinuation and the innuendo that the only Senators on this floor who are interested in balancing the Budget are Senators who will vote for the so-called nuisance taxes. That is the plain inference to be drawn from what has been said here.

The Senators in this Chamber who propose to balance the Budget by increasing the income taxes to the war level are as anxious to balance the Budget and as patriotic as any other group of Senators; and the Senators who believe that the income taxes should be of the amount declared by the committee to be reasonable, plus a so-called manufacturers' excise tax, are likewise as patriotic as any other group.

Mr. HARRISON. Mr. President——

Mr. WALSH of Massachusetts. I yield to the Senator from Mississippi.

Mr. HARRISON. I hope the Senator did not think I was insinuating anything of the kind.

Mr. WALSH of Massachusetts. The Senator's remarks, if I interpreted them correctly, were that he and those who were supporting his position in voting for these excise taxes were somewhat more concerned about balancing the Budget than those who differed from him, and there was some question raised by him about the devotion to duty in this great crisis of other Senators who chose a different course from his.

Mr. HARRISON. I am glad to be able to correct the Senator if he got that impression.

Mr. WALSH of Massachusetts. I accept the Senator's statement.

Mr. HARRISON. In the humblest way I say it is a wrong construction. It was only because of my defectiveness in being able to express myself according to my own heartbeats and thoughts that the Senator got that impression.

I thought I said that those Senators who were for the higher surtaxes, as well as those Senators who were for the sales tax, were just as anxious to balance the Budget as those who wanted this proposition or that; that it was merely a difference of opinion; because, may I say to the Senator, there was no Senator on the committee who worked harder or voted more strongly and more consistently to raise the Budget than did the Senator from Massachusetts. I was only trying to say that if we are going to vote on the sales tax, we ought to vote on it now instead of waiting until after a while. If the Senator has such a sales tax, I hope he will offer it now.

Mr. WALSH of Massachusetts. I will deal with that in a moment.

I frankly feel that the Senator in his remarks—I will be frank about it—had in the back of his head the fact that in the committee some of us voted for some of these nuisance taxes and now are not voting for them. I may do him an injustice in feeling that way, but I want to discuss it; and if the Senator did not have that in mind, I should be glad to have him say so.

Mr. HARRISON. I did say that I looked into the faces of Senators on the other side and some Senators on our side who had voted for these propositions in the committee who were not voting for them now.

Mr. WALSH of Massachusetts. Yes. Does not the Senator know that we assumed in the committee at the outset that we were to construct and frame the bill along the lines of the House bill?

Mr. HARRISON. Yes.

Mr. WALSH of Massachusetts. And that later proposals were made, one on the part of the senior Senator from Michigan [Mr. COUZENS] and the other on the part of the senior Senator from Pennsylvania [Mr. REED], to substitute a different policy in framing the bill?

Mr. HARRISON. Absolutely; and the Senator from Massachusetts himself in the committee stood for a sales tax, and he voted for a sales tax in the committee. The Senator from Missouri [Mr. HAWES] has just stated, however, that he is going to vote against these propositions in the hope of getting the sales tax; and I was afraid that some of the others might be in the same position. For that reason, I thought that if we could vote on the sales tax now, we might eliminate that particular proposition.

Mr. WALSH of Massachusetts. Now, let me say a word about my position on the sales tax.

When I went into the committee to frame this bill I did not believe that I would ever vote for a manufacturers' excise tax. I came to a different conclusion, just as the Democratic members of the Ways and Means Committee did. After hearing the discussion apropos and the guessing and exchanging on the levying of special nuisance taxes,

fixing some at 3 per cent, some at 4 per cent, some at 7 per cent, and some at 10 per cent, some at 35 per cent, in the case of lubricating oil, I decided that the only fair tax under all the circumstances, if we are going to levy excise taxes, is, in view of the present emergency, a tax that is broad at the base and is small in amount and reaches all manufactured articles except the necessities of life. I was particularly impressed that general instead of special excise taxes were decidedly preferable and more equitable.

I came to that conclusion after hearing all discussions on the various methods of levying taxes, without any thought whatever of supporting a manufacturers' excise tax at the outset. I came to that conclusion when I got telegrams and letters from the owners and workers in the soap and rubber factories of Massachusetts, and the employers and employees in the candy factories of Cambridge and Boston, Mass.; when I got telegrams from the factories manufacturing cheap jewelry at Attleboro, North Attleboro, and Taunton telling me how desperate conditions were and the extent of unemployment, and appealing not to put a tax of 10 per cent on their product; and when I got telegrams like the one I have in my hand, which I received from Somerville, Mass., to-day and which is similar to hundreds of others I have received. Let me read it:

> I understand automobile tax will come before the Senate to-day. Hope you cast your vote against it. Local Ford assembly plant, employing 2,848 men, opened recently. The employment of this number of men greatly reduces unemployment in our city. Any tax on automobiles would retard sales and throw men out of work. We urge you to support a general manufacturers' excise tax that will treat all industries equally.

Is it unpatriotic, is it un-Democratic, when an excise tax is proposed that we believe is unfair and unjust and going to impair our industries and cause unemployment, to raise our voices here and say "No"? Must we say "Yes" or have our patriotic motives impugned? Must we stultify our convictions when we think a tax is an unfair levy and an indefensible burden under present depressed economic circumstances?

I repeat, I came to this conclusion after this bill was in the process of formation, just as the Democratic members of the House Ways and Means Committee did. They never dreamt at the outset of reporting such a measure. After seeing the unfairness and injustice of these special sales taxes, however, I reached the conclusion that the soundest, fairest, most equitable tax we could impose was not a special sales tax on haphazard selected commodities of certain industries or admission taxes, but a general excise tax upon all industries, eliminating the necessities of life.

Mr. President, I went along with the committee on the assumption that the bill was to be drafted as this bill is written and as the House bill was written. I voted for some of these nuisance taxes, and I voted against some of them. I tried to determine, in seeking to balance the Budget, whether the rate ought to be 3 or 4 per cent. Sometimes I voted for the higher rate; sometimes for the lower rate. But when it was all over I reached the conclusion that it was my duty and my obligation to myself and to my constituents to favor the elimination of all these taxes from the bill, and to levy a small basic tax upon the finished product of all industries. I will say further, so much am I opposed to these so-called nuisance taxes that I am almost convinced that, rather than go back to them, I would accept a proposal to increase the income-tax rates. I am not declaring that I have reached that conclusion yet; but I am drifting in that direction very rapidly, because it seems to me these taxes are entirely indefensible.

Mr. President, the Senator from Mississippi suggested that the time has arrived for the presentation of an amendment to this measure embodying the principles of the so-called manufacturers' excise tax. When in the discussion of legislation, the discussion of bills on this floor, has it been proposed that amendments from the floor be offered before the committee amendments were dealt with?

When before were Members of this body invited to propose amendments from the floor before we knew what was to become of the committee amendments? Have we ever in the history of this body—and I know we have not since I have been here—undertaken to legislate in that fashion and manner?

Mr. SMOOT. Mr. President, the Senator will remember that I asked unanimous consent that the regular order be followed, and it was refused.

Mr. WALSH of Massachusetts. But the regular order we have been following has been the taking up of committee amendments, and offering amendments to the committee amendments. That is what we have been proceeding to do.

Mr. SMOOT. That is true.

Mr. WALSH of Massachusetts. My good friend from Mississippi knows how to play the parliamentary game as well as any man on this floor, and I am sure that if he were in my position he would be the very last Senator to move at this stage of the proceedings an amendment of the character I propose to offer. He is too clever to make any such proposal as that, and he knows that as we go through the discussion of this bill and analyze the manner and way in which these so-called nuisance taxes have been levied, a mere guess here and a guess there as to what the rates should be, that there will be a feeling in this body of "plague on all your taxes," and there will be a movement either in the direction the Senator from Michigan wants us to go or in the direction of an emergency manufacturers' excise tax, which I am to propose.

Let me say to the Senator from Mississippi that I have not asked any Senator to lend me his conscience in the matter of voting on these excise taxes. I have made no trades. I think the Senator will at least give me credit for not indulging in that practice.

Mr. HARRISON. I know the Senator would not indulge in that.

Mr. WALSH of Massachusetts. I feel very strongly that these nuisance taxes are a mistake, that I can not defend them, and I judge, by the very fact that the Senator is anxious to avoid a roll call upon them now, he has not very much faith in them himself. Is he going to incorporate them in this bill, not on their merit but by force or threats?

Mr. HARRISON. The Senator knows——

Mr. WALSH of Massachusetts. That he has some doubt about sanctioning the special taxes whole-heartedly. His defense is that it is the only way in which we can balance the Budget, rather than a firm and honest belief that they are a just tax and an appropriate tax to levy in this emergency. Some other Senators sincerely believe there is a better and a fairer method of raising the necessary revenue.

I gladly yield to the Senator.

Mr. HARRISON. Mr. President, of course I am on record, as the Senator from Massachusetts is. I made my record and I do not run away from it at all, and am willing to go right through and vote for every one of the items. I would like to see them adopted. But I wanted to ask the Senator, because I am sure he has been working on this amendment a long time, and I know it is a good amendment, it is in good form if the Senator is behind it, because when he does things he does them right. If he will just lend that amendment to me, I promise him, not for him but for myself, to offer it and ask for a vote on it now. Will the Senator lend it to me?

Mr. WALSH of Massachusetts. I appreciate the Senator's kindness, and I will be glad to lend it to him. I hope that he will not be guilty of a breach of trust or confidence and offer it.

Mr. HARRISON. I suggested that I would offer it.

Mr. WALSH of Massachusetts. I will say that within 10 minutes one of the experts has come to me with the amendment and has made corrections in it, so that I can have it sent to the printer. That indicates I have not been holding back the amendment. Only within 10 minutes has the expert who sits next to the senior Senator from Utah [Mr. SMOOT] come to me with the amendment. But who more than myself has the responsibility of determining when and in what form the amendment will be offered?

Furthermore, the provision of the amendment depends on what we vote out of this bill. Whether the rate is 1½ per

cent or 1¾ per cent or 2 per cent or 1 per cent depends on the action of the Senate. I observe the Senator from Michigan bows his head. He appreciates that action by the Senate first is absolutely essential in order to determine upon the form the amendment should take.

Mr. COUZENS. Mr. President, I may point out to the Senator that when the 1918 income-tax rates were before the Senate the very shrewd and smiling Senator from Mississippi tried to get the sales tax up at the same time.

Mr. HARRISON. Yes.

Mr. COUZENS. He tried to outstrategy us, but we were not quite as dumb as he thought.

Mr. HARRISON. I admit I have been outdone. If I had had my way, we would have voted on all these propositions before we got into the excise taxes.

Mr. COUZENS. I raised the very question the Senator from Massachusetts has raised, as to how we can tell what the surtaxes or the sales tax should be until we have determined what is necessary to balance the Budget.

When the income-tax rates came up, I asked the Senator from Utah to let action on the income-tax rates be put off until the last, so as to see what rates were necessary to balance the Budget. But the Senators were anxious to go ahead.

Mr. WALSH of Massachusetts. Let us suspend trying to tell other Senators what their duty is. Let us suspend trying to read the consciences of other men, and doubting the motives that actuate them in voting "yes" or "no" when the roll is called. Let us give other Senators credit for a little patriotic spirit and for a little zeal and earnestness about getting the Budget balanced sanely and properly, and let us give them credit for realizing, as some of us do to the very depths of our hearts, the awful financial cataclysm that is impending in this country to-day. It is for that very reason, because of the terrible conditions which may await us before many days intervene, that I hesitate to put upon burdened industries, in fact, in the matter of one rate, on every industry, a tax of 35 to 50 per cent. I refer to the industries which use lubricating oil. I hesitate to put upon these tottering industries these excessive taxes. If that is a mistaken attitude, then I must be convicted of entertaining a wrong concept of my present duty.

It seems to me that we could serve the country no better in this emergency than by levying, on a broad base—exempting all the things the masses of the people have to buy to sustain life with, a reasonably small tax upon all the products of our industries.

Mr. President, I can not understand why the fact that a Senator would vote against a nuisance tax would so disturb the Senator from Mississippi and so excite and alarm him. I am really at a loss to know. One would think that upon the vote on this one item in this bill depended whether or not we were going to balance the Budget.

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

Mr. WALSH of Massachusetts. I yield.

Mr. HARRISON. Of course, the Senator from Mississippi does not harbor anything but love and affection for the Senator from Massachusetts, because we have fought together in the Committee on Finance, not only at this time, but heretofore, and we have fought political battles in the past, and will fight them together in the future.

There is no difference in the world between the Senator from Massachusetts and myself except that he is going to vote for the sales tax and I am going to vote against the sales tax; that he does not want to vote for the sales tax until these other matters are out of the way, and that my judgment leads me to think that the best thing to do is to vote on it now so that we can conclude the consideration of the bill more quickly. Those differences shall not make any difference in our personal and political relations, or in my strong affection for the Senator. The Senator knows my position so far as the tariff is concerned. I signed a report which he himself wrote, which went pretty far. I might have gone a little farther even than he did on that matter. I have tried to keep my Democratic record straight on these tariff items. Everybody in the Senate knows, I think, how I have felt about them. But I never try to criticize any of my colleagues, and I am not doing so now. I am sorry that my friend from Massachusetts feels somewhat offended about it.

Mr. President, I was appealing to the Senator, and I thought I could get him to offer the amendment. I still hope that he will offer it.

Mr. CONNALLY. Mr. President, I want to submit a unanimous-consent agreement.

The Finance Committee, as Senators know, worked on this bill about five weeks before we brought it into the Senate. The distinguished Senator from Utah [Mr. SMOOT], as chairman of that committee, has unrelentingly and unremittingly labored all of that time. We have been meeting at 11 o'clock in the morning and sitting until 10 o'clock at night every day since the bill has been before the Senate and I want to suggest that when the Senate takes a recess to-day, it takes a recess to convene at 10 o'clock to-morow, and that we meet at 10 o'clock each day and run until 7 in the evening and dispense with the night sessions. If we do that, I confidently believe we shall make more progress with the bill than we have been making at the night sessions. I submit that suggestion.

Mr. SMOOT. Mr. President, does the Senator ask unanimous consent?

Mr. CONNALLY. Yes.

Mr. SMOOT. A number of Senators have asked me to agree to some such arrangement, thinking, perhaps, that if that were done we would do just as much work within the hours suggested as we are doing in the hours we are now sitting, and I need not say why Senators arrived at that conclusion.

As far as I am concerned, I feel grateful to the Senator from Texas for what he has said in relation to the work I have done, but I do not want that in any way, shape, or form to influence any Senator, because I can work long hours just as well as not.

Mr. CONNALLY. Mr. President, the chairman of the committee, the distinguished Senator from Utah, is perfectly willing to work 11 hours a day, and so am I. I am willing to work here until 12 o'clock every night if necessary. But many Senators do not attend regularly, and I believe that we shall get more work done if we meet at 10 o'clock in the morning and work until 7 in the evening, and then go home and relax a little and get some of the cobwebs out of our minds so that we can come back the next morning and hold the Senate's nose to the grindstone. I believe that we shall do more work if we follow that procedure.

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

Mr. CONNALLY. I yield.

Mr. HARRISON, Would the Senator object to restricting his unanimous consent so that it would apply only to this week, because if we go ahead with the unanimous consent unlimited we may have to undo it by unanimous consent. It may be that next week we shall want to change the procedure. Why not make it apply to just this week?

Mr. CONNALLY. We are laboring now under a unanimous-consent agreement, working until 10 o'clock every night.

Mr. BARKLEY. Mr. President, does the Senator from Mississippi mean to intimate that we are not going to finish the consideration of the pending bill this week?

Mr. HARRISON. It looks as if we will not.

Mr. CONNALLY. I would like to have the procedure I have suggested followed until we finish the consideration of the bill.

Mr. HARRISON. I would have no objection.

Mr. ASHURST. Mr. President, will the Senator from Texas yield?

Mr. CONNALLY. I yield.

Mr. ASHURST. My judgment is that the consideration of the bill will not be finished this week or next week. I have no objection to the Senate meeting at 9 o'clock and adjourning at 7 in the evening. I shall object to anything

that proposes any shorter workday than one beginning at 9 o'clock.

Mr. CONNALLY. Would the Senator be willing to extend the time to 11 o'clock at night; that is, to meet at 9 in the morning and work until 11 at night?

Mr. ASHURST. I think we should do as we did in 1908, meet at 10 in the morning and adjourn at 10 at night. I am perfectly willing to agree to a unanimous-consent request to meet at 9 and adjourn at 7, or I will agree to meet at 9.30.

Mr. CONNALLY. Mr. President, I modify the request, and ask that the Senate meet at 10 o'clock in the morning and remain in session until 7.30 at night. That will give the Senator from Arizona about the same time.

The PRESIDENT pro tempore. The Chair understands the request preferred by the Senator from Texas to be that, beginning to-morrow, the Senate shall meet at 10 o'clock in the morning and remain in session until 7.30 o'clock in the evening. Is there objection?

Mr. BANKHEAD. Mr. President, reserving the right to object, I want to ask the Senator from Texas if he will not modify his request so that speeches during the consideration of the bill shall be limited to 15 minutes?

Mr. CONNALLY. I can not do that.

Mr. ROBINSON of Arkansas. Mr. President, I concur in the request made by the Senator from Texas. If the Senate will meet at 10 o'clock in the morning and continue in uninterrupted session until 7.30 in the evening, it is my conviction that more work will be accomplished and more results produced than under the present arrangement. I hope Senators will consent to that arrangement.

Mr. LA FOLLETTE. Mr. President, a parliamentary inquiry.

The PRESIDENT pro tempore. The Senator will state it.

Mr. LA FOLLETTE. Is the unanimous-consent request so framed that it would bind the Senate during the entire remainder of this session of Congress?

The PRESIDENT pro tempore. The Chair understood it was to apply only during the consideration of the pending measure.

Mr. LA FOLLETTE. I agree with the suggestion made by the Senator from Mississippi that we should not bind ourselves during the entire period that this bill may be before the Senate. Why does not the Senator modify his request so as to provide for the balance of this week and let us try it out and see how it works?

Mr. CONNALLY. Mr. President, if Senators are going to raise objections I shall have to withdraw my request because I can not make a separate request for each Senator present.

The "rest of the week" is only three more days. We would not accomplish a great deal if the agreement runs only for three days. I am willing to stay until 10 or 11 or 12 o'clock at night, but everyone knows we are not going to make any real progress at the night meetings. If we meet at 10 o'clock in the morning and Senators will remain here and give attention to business, we shall transact a great deal more business than is the case now. I renew the request that the Senate meet at 10 o'clock in the morning and remain in continuous session until 7.30 o'clock in the evening for the time that this bill is under consideration.

Mr. BARKLEY. Mr. President, the Senator realizes that most of the time is taken up in speeches. I agree with him that at night, with large and well-filled galleries, we will sooner get rid of the speeches that will be made during the consideration of the bill.

Mr. ROBINSON of Arkansas. Mr. President, I think the Senator is wrong about that. We shall never get rid of the speeches if we undertake to respond to the suggestion the Senator is making.

The PRESIDENT pro tempore. The Senator from Texas has renewed his request for a unanimous-consent agreement to provide that during the consideration of the pending measure the Senate shall meet each day at 10 o'clock in the morning and shall sit continuously until 7.30 o'clock in the evening. Is there objection? The Chair hears none, and the unanimous-consent agreement is entered into.

Mr. CAPPER. Mr. President, I ask unanimous consent to have printed in the RECORD letters and statements protesting against additional taxes being levied on the automobile industry. These come from Fred Brenckman, representing the National Grange; from C. C. Cogswell, master of the Kansas State Grange, and from Chester H. Gray, representing the American Farm Bureau Federation. These protests reflect the opposition to a tax on motor vehicles which I find prevails quite generally among farm folks in the West. They believe that the automobile is a necessity and that the proposed tax would increase the cost to the consumer. They believe, too, that this is a field of taxation which belongs to the States.

The PRESIDENT pro tempore. Without objection, it is so ordered. The matters referred to are as follows:

THE NATIONAL GRANGE,
Washington, D. C., May 17, 1932.

Hon. ARTHUR CAPPER,
Senate Office Building, Washington, D. C.

DEAR SENATOR: The fundamental reason why the National Grange is against the proposed taxes on automobiles, trucks, and accessories contained in the pending revenue bill is that this is a field of taxation which belongs to the States. There is much more involved in these proposed Federal taxes on motor vehicles than appears on the surface.

We have expended billions of dollars for the construction of improved highways, and by far the greater part of these roads have been built on borrowed money. The States and their minor subdivisions have issued bonds in this connection which must be met when they fall due. We have relied on the earning capacity of roads to retire these bonds, and the receipts from automobile license fees and gasoline tax have thus far provided the revenue to meet the sinking fund charges and interest on the bonds. If these sources of revenue should be dried up by prohibitive taxes on motor vehicles, the bonds would have to be paid just the same. Home owners and farmers may well view this situation with apprehension because in the final analysis they would have to pay for the staggering indebtedness we have incurred for improved roads.

The American Automobile Association recently released a statement showing that there was a drop of 731,178 in the registration of motor vehicles in 1931, as compared with 1930. While there was a loss in registration totals in 38 States, the heaviest drop occurred in States with a large agricultural population. In view of prevailing conditions, there can be no doubt that the tendency shown will be aggravated during the present year. There may be those who will say that if the farmer can not afford to have an automobile or a truck, he should walk. However, that brand of philosophy overlooks the point that the improved highways which have been constructed must be paid for, whether we use them or not. It will not help us in the solution of our tax problems if the Federal Government, in its efforts to balance the Budget, now invades a field of taxation which by every right belongs to the States.

If the proposed taxes on automobiles and accessories should be stricken from the bill, as we are convinced they should be, the question naturally arises as to where we are to look for the revenue which these proposed taxes are intended to produce. In his appearance before the Ways and Means Committee of the House and before the Finance Committee of the Senate, Secretary of the Treasury Mills suggested a tax of 7 per cent on the domestic consumption of gas and electricity; but if such a tax is to be levied, why should it be limited to domestic consumption?

According to figures furnished by the Federal Trade Commission, the total revenues of the electric power companies during the past year were $2,137,000,000; the value of the natural gas produced was $415,000,000; while the manufactured gas was valued at $521,000,000. This makes a total of $3,073,000,000. Three per cent on that sum would net more than $92,000,000. In our opinion, such a tax would be much more fair and equitable than the proposed special levies on motor vehicles.

It is gratifying to note that in taking steps to balance the Budget Congress is not depending on the levying of new taxes alone. Efficiency and economy are quite as necessary as additional taxes in meeting the financial situation with which the Government is confronted.

Yours very truly,

FRED BRENCKMAN,
Washington Representative.

WASHINGTON, D. C., *May 23, 1932.*

To the Members of the United States Senate:

GENTLEMEN: The proposed taxes on autos, trucks, and accessories in section 602 of H. R. 10236, should be eliminated from the measure, for three reasons:

(1) By increasing the delivered price of these commodities a sales resistance is created, which in times such as these will undoubtedly cause rather than cure unemployment. It is obvious that unemployment in an industry such as the automobile trade means a greatly lessened purchasing public for farm products.

(2) The sinking funds in States to retire road bonds and other funds to provide maintenance and construction costs depend

mostly upon the large and continued use of motor vehicles and the consequent consumption of gasoline. For the Federal Government to enter the field of auto taxes is equivalent to depreciation of State road bonds, less effective maintenance of roads, slackening of highway construction, and eventually levying higher taxes on the general property to make up the deficits caused by shrinkages in auto revenues.

(3) Motor vehicles on farms are a necessity, not a luxury. Special taxes should be levied upon nonessential and luxury products, not upon necessities.

The recommendation of the American Farm Bureau Federation in regard to the proposed taxes on automobiles, trucks, and accessories is that all such taxes be eliminated.

Very respectfully,

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

TOPEKA, KANS., *May 16, 1932.*

Senator ARTHUR CAPPER,
Senate Office Building, Washington, D. C.

FRIEND CAPPER: Am writing you to ask you to use your influence against the placing of any more tax on the users of automobiles. It seems that they are already paying proportionally more tax in this line than most any other, there being about a dozen different kinds of tax already levied on them.

I realize this is not a good place to add increased burdens but also feel that it is not the proper place for further additions. I also am aware that you have a stupendous task in balancing the Budget with any form of tax that will not have opposition, but feel that the automobile is already paying more than its just share.

Will be glad to have your reasons if your opinion in this matter is different from mine.

Thanking you for this as well as for past considerations, I am,

Cordially yours,

C. C. COGSWELL,
Master Kansas State Grange.

The PRESIDENT pro tempore. The clerk will state the pending amendment.

The LEGISLATIVE CLERK. The pending amendment is that of the Senator from Michigan [Mr. VANDENBERG], on page 247, to strike out lines 1 to 6, both inclusive, as follows:

(b) Other automobile chassis and bodies and motor cycles (including in each case parts or accessories therefor sold on or in connection therewith or with the sale thereof), except tractors, 3 per cent. A sale of an automobile shall, for the purposes of this subsection, be considered to be a sale of the chassis and of the body.

Mr. HARRISON. Let us have the yeas and nays.

Mr. SMOOT. Mr. President, we have just voted $14,000,000 out of this section. Now we are asked to vote $44,000,000 more out. I sincerely hope and trust the Senate is not going to agree to it.

Mr. BULKLEY. Mr. President, I should like to inquire of the Senator from Utah whether the new amendment on behalf of the committee relating to rubber is ready to be offered?

Mr. SMOOT. I am ready to offer it as soon as we reach that point in the bill, and I believe that will be very soon.

Mr. BULKLEY. Would not the Senator be willing to offer the amendment and let it be printed and lie over until to-morrow so Senators may understand it? It was proposed first to put an import tax on crude rubber, and now there is a substitution proposed to tax tires and tubes. I would like to have the Senate understand just what it is.

Mr. SMOOT. I will read the amendment so the Senate can understand what it is. I propose to offer this amendment at the proper time:

Page 245, strike out lines 5 to 10, both inclusive, and insert in lieu thereof the following:

"SEC. 602. TAX ON TIRES AND INNER TUBES

"There is hereby imposed upon the following articles sold by the manufacturer, producer, or importer, a tax at the following rates:

"(1) Tires wholly or in part of rubber, 2¼ cents a pound on total weight (exclusive of metal rims or rim bases), to be determined under regulations prescribed by the commissioner, with the approval of the Secretary.

"(2) Inner tubes (for tires) wholly or in part of rubber, 4 cents a pound on total weight, to be determined under regulations prescribed by the commissioner, with the approval of the Secretary."

The PRESIDENT pro tempore. Inasmuch as the amendment will be printed in the RECORD in the morning, it will also be printed and lie on the table. The Chair understands the Senator from Utah to offer it as a substitute for lines 5 to 10, inclusive, on page 245.

Mr. SMOOT. That is where the amendment will come.

Mr. BULKLEY. Mr. President, I would like to ask the Senator from Utah if he would have any objection to putting the amendment in another place so it will be a part of the accessories tax? The reason why I suggest that is that with respect to the taxes on all other accessories except tires and tubes there are provisions on page 249 for refunds, and there is no reason why they should not apply to tires and tubes as well as other accessories.

Mr. SMOOT. I will read all the amendments to the Senator so he may see each one that will be offered to carry the proposal to completion.

The PRESIDENT pro tempore. The Chair understands the Senator from Utah is submitting for publication in the RECORD not only that portion of the amendment which he has just read, but also the compensatory duties to which he has referred as covering the four or five other features.

Mr. SMOOT. I can have them printed if the Senator from Ohio desires.

Mr. BULKLEY. I think it is important for the information of the Senate to have the whole situation in print so Senators may see in advance what they are required to vote upon. There are only a few Senators here who have heard the amendment read, and I do not want it voted on this evening, but rather have it go over until to-morrow, when everyone may understand it.

Mr. HARRISON. Mr. President, may I ask the Senator from Ohio if he is opposed to the amendment that has been proposed by the committee?

Mr. BULKLEY. The amendment as proposed by the committee is not an impossible amendment. I think that the rates are still very high. I want the Senate to have every reasonable opportunity to know what the rates are and determine whether that is a proper tax to put upon tires and tubes.

Mr. HARRISON. I had understood that on two different occasions we had reduced the amount from the original plan. I thought perhaps the Senator would be able to support at least this amendment, but if the Senator opposes the amendment, there may be a fight the other way upon the proposition.

Mr. SMOOT. I thought this was all that the manufacturers themselves requested. We have already taken off millions of dollars from the bill. Now there is an amendment pending to take off $44,000,000, and I am sure the Senate is not going to do it.

Mr. BULKLEY. The Senator knows I only want to submit this to the fair judgment of the Senate. I will say to the Senator that the manufacturers themselves still feel that the amounts he is proposing are very high relative to other taxes. I appreciate the Senator has tried to be accommodating and fair and I do not question that at all, but frankly the taxes as proposed now are still high.

Mr. SMOOT. Mr. President, I send all the amendments to the desk and ask that they may be printed and lie on the table.

The PRESIDENT pro tempore. The amendments will be printed and lie on the table.

Mr. BULKLEY. I would like to have printed in the RECORD a table showing what the proposed taxes, at the rates suggested by the Senator from Utah, will mean as applied to standard sizes of tires and tubes.

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

The table is as follows:

Statement showing effect on dealers' business of proposed tax of 2¼ cents per pound on tires

	Weight of tire and flap	Dealer's net purchase price	Tax at 2¼ cents per pound	Ratio of tax to purchase price
First-line tires:	*Pounds*			*Per cent*
4.50-21, 4-ply	15.28	$4.82	$0.34	7.13
4.75-19, 4-ply	16.70	5.26	.38	7.13

Statement showing effect on dealers' business of proposed tax of 2¼ cents per pound on tires—Continued.

	Weight of tire and flap	Dealer's net purchase price	Tax at 2¼ cents per pound	Ratio of tax to purchase price
First-line tires:—Continued.	*Pounds*			*Per cent*
5.25-18, 4-ply	18.37	$6.36	$0.41	6.45
5.50-18, 4-ply	21.18	7.07	.48	6.83
6.00-18, 4-ply	23.39	7.86	.53	6.68
7.00-18, 6-ply	37.45	12.45	.84	6.75
30 by 5, 6-ply	34.20	11.39	.77	6.75
32 by 6, 8-ply	47.98	18.41	1.08	5.85
34 by 7, 10-ply	86.75	31.99	1.95	6.08
6.00-20, 6-ply, bus	34.84	11.85	.78	6.60
Second-line tires:				
4.50-21, 4-ply	14.93	4.06	.34	8.33
4.75-19, 4-ply	15.61	4.73	.35	7.48
5.25-18, 4-ply	18.07	5.61	.41	7.20
5.50-18, 4-ply	20.46	6.25	.46	7.35
6.00-18, 4-ply	None.			
7.00-18, 6-ply	None.			
30 by 5, 8-ply	40.07	10.81	.90	8.33
32 by 6, 8-ply	None.			
34 by 7, 10-ply	81.52	25.41	1.64	7.20
6.00-20, 6-ply, bus	33.52	10.14	.76	7.50

Statement showing effect on dealers' business of proposed tax of 4 cents per pound on tubes

	Weight of tube	Dealer's net purchase price	Tax at 4 cents per pound	Ratio of tax to purchase price
First-line tubes:	*Pounds*			*Per cent*
4.50-21, Group B	2.09	$0.83	$0.08	9.60
4.75-19, Group B	2.31	.83	.09	11.52
5.25-18, Group C	2.40	.95	.09	10.08
5.50-18, Group F	2.98	1.17	.12	10.24
6.00-18, Group F	2.98	1.17	.12	10.24
7.00-18	3.92	1.48	.16	10.80
30 by 5	3.59		.14	
32 by 6	7.70	2.39	.31	13.04
34 by 7	11.76	3.48	.47	13.60
6.00-20	3.97	1.57	.16	9.36
Second-line tubes:				
4.50-21, Group B	1.82	.58	.07	12.40
4.75-19, Group B	1.92	.66	.08	11.90
5.25-18, Group C	2.13	.75	.09	11.76
5.50-18, Group F	2.68	.90	.10	11.52
6.00-18, Group F	2.68	.90	.10	11.52
30 by 5	3.15	1.17	.12	10.24
32 by 6	5.05	1.78	.20	11.20
34 by 7	9.20	2.53	.37	14.56
6.00-20	2.97	1.06	.12	11.36

Statement showing effect on dealers' business of proposed tax of 2¼ cents per pound on solid truck tires

Size	Weight of solid tire, excluding metal base	Net dealers' billing price	Tax at 2¼ cents per pound	Ratio of tax to billing price
	Pounds			*Per cent*
36 by 5 heavy duty cushion	80.9	$27.02	$1.82	6.73
36 by 6	102.9	34.49	2.31	6.07
36 by 8	139.1	49.88	3.12	6.25
36 by 10	193.7	63.25	4.36	6.89
40 by 14	301.9	97.61	6.79	6.95

The PRESIDENT pro tempore. The question is on agreeing to the amendment proposed by the Senator from Michigan.

Mr. SMOOT. As I understand the amendment as stated, it is to strike out all of the section relating to automobile chassis, bodies, and so forth; in other words, the section relating to passenger automobiles.

The PRESIDENT pro tempore. The Chair understands the amendment to be to strike out the first six lines on page 247.

Mr. SMOOT. In other words, we have already stricken out $14,000,000, and now it is proposed to strike out $44,000,000 more.

The PRESIDENT pro tempore. The question is on agreeing to the amendment of the Senator from Michigan.

Mr. HARRISON. I renew my request for the yeas and nays.

The yeas and nays were ordered.

Mr. ROBINSON of Arkansas. Mr. President, I suggest the absence of a quorum.

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

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

Ashurst	Copeland	Howell	Reed
Bankhead	Couzens	Hull	Robinson, Ark.
Barbour	Cutting	Johnson	Robinson, Ind.
Barkley	Dale	Jones	Sheppard
Bingham	Davis	Kendrick	Shortridge
Blaine	Dickinson	Keyes	Smith
Borah	Fess	King	Smoot
Bratton	Fletcher	La Follette	Steiwer
Brookhart	Frazier	Logan	Stephens
Broussard	George	McGill	Thomas, Idaho
Bulkley	Gore	McNary	Trammell
Bulow	Hale	Metcalf	Tydings
Byrnes	Harrison	Moses	Vandenberg
Capper	Hastings	Norbeck	Wagner
Carey	Hatfield	Norris	Walcott
Cohen	Hawes	Nye	Walsh, Mass.
Connally	Hayden	Oddie	Watson
Coolidge	Hebert	Pittman	Wheeler

The VICE PRESIDENT. Seventy-two Senators have answered to their names. A quorum is present. The question is on the amendment of the Senator from Michigan, upon which the yeas and nays have been ordered. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. HASTINGS (when his name was called). Making the same announcement as before as to my pair, I transfer it to the senior Senator from Colorado [Mr. WATERMAN] and will vote. I vote "nay."

Mr. JONES (when his name was called). I have a pair with the senior Senator from Virginia [Mr. SWANSON], who is necessarily absent, and therefore withhold my vote.

Mr. THOMAS of Oklahoma (when his name was called). Making the same announcement as to my pair which I made a while ago, I withhold my vote. If privileged to vote, I should vote "nay."

Mr. WAGNER (when his name was called). I am paired with the junior Senator from Missouri [Mr. PATTERSON], but I am informed that if present he would vote as I intend to vote. I therefore feel at liberty to vote, and I vote "nay."

The roll call was concluded.

Mr. BYRNES. I am paired with the junior Senator from Vermont [Mr. AUSTIN]. Not being advised as to how he would vote, I withhold my vote. If permitted to vote, I should vote "yea."

Mr. BINGHAM (after having voted in the negative). I transfer my pair with the Senator from Virginia [Mr. GLASS] to the Senator from Missouri [Mr. PATTERSON] and allow my vote to stand.

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

The Senator from Minnesota [Mr. SCHALL] with the Senator from Illinois [Mr. LEWIS];

The Senator from Maine [Mr. WHITE] with the Senator from Washington [Mr. DILL];

The Senator from Iowa [Mr. BROOKHART] with the Senator from West Virginia [Mr. NEELY];

The Senator from Minnesota [Mr. SHIPSTEAD] with the Senator from Arkansas [Mrs. CARAWAY].

The Senator from Delaware [Mr. TOWNSEND] with the Senator from Tennessee [Mr. MCKELLAR]; and

The Senator from New Jersey [Mr. KEAN] with the Senator from Montana [Mr. WALSH].

The result was announced—yeas 18, nays 52, as follows:

YEAS—18

Bankhead	Coolidge	Logan	Tydings
Bulkley	Couzens	Norbeck	Vandenberg
Bulow	Hawes	Oddie	Walsh, Mass.
Capper	Hull	Smith	
Cohen	Johnson	Trammell	

NAYS—52

Ashurst	Borah	Cutting	Frazier
Bailey	Bratton	Dale	George
Barbour	Broussard	Davis	Gore
Barkley	Carey	Dickinson	Hale
Bingham	Connally	Fess	Harrison
Blaine	Copeland	Fletcher	Hastings

Hatfield	La Follette	Pittman	Steiwer
Hayden	McGill	Reed	Stephens
Hebert	McNary	Robinson, Ark.	Thomas, Idaho
Howell	Metcalf	Robinson, Ind.	Wagner
Kendrick	Moses	Sheppard	Walcott
Keyes	Norris	Shortridge	Watson
King	Nye	Smoot	Wheeler

NOT VOTING—26

Austin	Glass	McKellar	Thomas, Okla.
Black	Glenn	Morrison	Townsend
Brookhart	Goldsborough	Neely	Walsh, Mont.
Byrnes	Jones	Patterson	Waterman
Caraway	Kean	Schall	White
Costigan	Lewis	Shipstead	
Dill	Long	Swanson	

So Mr. VANDENBERG's amendment was rejected.

The VICE PRESIDENT. The clerk will state the next amendment.

The next amendment was, on page 247, line 7, after the word "accessories," to insert "(other than tires and inner tubes)."

Mr. SMOOT. Mr. President, I presume I shall have to ask that that amendment go over, although I thought when I was asked a question about it it would not be necessary. However, I shall have to ask that it go over, because as to tires and inner tubes there are about four or five amendments that will have to be made if changes are made in one or two of the other amendments. So I shall have to ask that that amendment go over to-night.

The VICE PRESIDENT. Without objection, the amendment will be passed over. The clerk will report the next amendment.

Mr. SMOOT. My suggestion applies to all items affecting tires and inner tubes. We may, however, vote on the amendment in line 9, where the committee proposes to strike out 1 per cent and to insert 2 per cent. I want the other amendments, however, to go over because of the fact that their adoption finally will depend upon the wording of other provisions.

The VICE PRESIDENT. Without objection, the amendments referred to by the Senator from Utah will be passed over, and the question is now on agreeing to the amendment which the Secretary will state.

The LEGISLATIVE CLERK. On page 247, line 9, it is proposed to strike out "1 per cent" and insert "2 per cent."

Mr. VANDENBERG. Mr. President, in view of the obvious attitude of the Senate toward the entire elimination of these paragraphs, I shall not offer my substitute at this point to strike out all of subsection (c); but I suggest to the Senate that in voting upon the committee amendment the obvious logic of the situation now requires the defeat of the committee amendment in order to keep the tax upon accessories of automobiles in line with the tax upon trucks and passenger cars.

The VICE PRESIDENT. The question is on agreeing to the committee amendment.

Mr. REED. Mr. President, I ask for the yeas and nays.

The VICE PRESIDENT. Is there a second?

The yeas and nays were ordered.

Mr. REED. Mr. President, I think the Senate ought to understand that to disagree to the committee amendment will mean a reduction in the estimated revenue of four and one-half million dollars. The rate of 2 per cent on the accessories of automobiles is entirely reasonable. It is lower than the tax on automobiles themselves. I can see no reason whatsoever for disagreeing to the amendment that has been reported by the Finance Committee.

Mr. VANDENBERG. Mr. President, it seems to be necessary for me to respond to the arithmetic that has just been submitted to the Senate. The Senator from Utah has twice referred to the same statistics from the same source in connection with the preceding section. The Senators are quoting figures submitted by the Treasury Department which are arrived at upon a basis which I can not possibly conceive or understand. Based upon actual automobile sales for 1932 the total revenue from all these three sections of the automobile tax, instead of being $73,000,000 as estimated by the Treasury, will be but $29,500,000. Based upon as large sales in 1932 as were made in 1931, the total tax will be only $50,000,000, instead of $73,000,000. How a proposed receipt of $73,000,000 can be figured from this source is entirely beyond my comprehension.

Therefore, Mr. President, I submit that there is no such loss impending through the defeat of these committee amendments as has been indicated. On the contrary, while the Treasury estimates indicate a receipt of $9,000,000 from the tax on accessories, the receipts based upon the actual trade for this year will only be three and a half million dollars, and the loss to the Treasury, through the defeat of the committee amendment, instead of being the figure which the Senator from Pennsylvania indicates, in my judgment, based upon the actual business of the present year, will be less than $1,000,000; and the rejection of the amendment is necessary to bring the accessories in line with the taxes proposed in the other two sections.

Mr. SMOOT. Mr. President, if that be true, then it is all the more necessary that the 2 per cent rate be fixed instead of the 1 per cent rate. Of course, I can not say whether the Treasury estimate is correct or not, but all the Treasury estimates are based upon the best information that can be obtained from the statistics in the department.

Mr. VANDENBERG. Mr. President——

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

Mr. SMOOT. I yield.

Mr. VANDENBERG. Is not the best information available the actual sales for 1931 and the sales thus far for 1932? What could be better information upon which to base a calculation than that?

Mr. SMOOT. Granting that is so, then we at least ought to have the 2 per cent rate.

Mr. VANDENBERG. Now the Senator is talking about something else. I am talking about what the figures, based on actual business, show will be the extent of the loss.

Mr. SMOOT. Even if the estimates are wrong, we ought to have the 2 per cent.

Mr. VANDENBERG. If the Senator's argument is based upon the fact that the estimates of the department are wrong, I have not much to say about it.

Mr. HAWES obtained the floor.

Mr. REED. Mr. President, will the Senator yield to me just for a question?

Mr. HAWES. I yield.

Mr. REED. Mr. President, it seems to me perfectly obvious that the Treasury in preparing its estimates has taken into account not only the reduced business of 1931 and the total prostration of business for the first quarter of this year but it has probably also assumed that if we have the courage to balance the Budget business will pick up, and so the estimate which the department gives us is the composite of all the factors which it is expected will govern business during the next two fiscal years.

Mr. VANDENBERG. Mr. President, if I may be permitted to do so, in reply to the Senator from Pennsylvania, let me observe that if the Treasury is optimistic enough to contemplate such a substantial increase in the automobile business during the next year, it will be exceedingly unfortunate if the Senate proceeds to vote a tax that will make any such recovery impossible by any stretch of the imagination.

Mr. HAWES. Mr. President, coming from a State that probably makes more automobile accessories than any other State in the Union, I address my remarks to the junior Senator from Michigan [Mr. VANDENBERG].

This section covers tires, inner tubes, spark plugs——

Mr. SMOOT. But tires and inner tubes are excepted, Mr. President.

Mr. BULKLEY. Has not that amendment been passed over?

Mr. SMOOT. It has; also the same amendment that appears in two or three other places in the bill.

Mr. HAWES. All right; it covers storage batteries, leaf springs, tire chains, and so forth.

I should like to ask the junior Senator from Michigan if any automobile can run if any of these things are out of order or defective?

Mr. VANDENBERG. Mr. President, unfortunately, some of them sometimes try to run in that condition; and a tax of this nature will be an encouragement to precisely that type of transportation on our highways.

Mr. HAWES. Whenever they do run they endanger the life of everybody on the highway?

Mr. VANDENBERG. The Senator is correct.

Mr. SMOOT. Let us pay to put them in, then.

Mr. COUZENS. Mr. President, I just want to make one comment upon the statement of the Senator from Pennsylvania [Mr. REED] that the Treasury Department, in making the estimates for the revenue to be obtained from the automobile tax, predicated them on an increase in business, and therefore got the estimates high to justify the tax. I submit, however, that when we were discussing income-tax rates the estimates were all substantially lowered, and they did not anticipate any revenues in 1932 because of the depressed condition of business. Now they reverse the situation when they want a tax applied, and take a different position when they do not want a tax applied.

The VICE PRESIDENT. The question is on the amendment of the committee, on which the yeas and nays have been ordered. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BYRNES (when his name was called). I have a pair with the junior Senator from Vermont [Mr. AUSTIN]. I transfer that pair to the junior Senator from Tennessee [Mr. HULL], and will vote. I vote "nay."

Mr. HASTINGS (when his name was called). Making the same announcement as before as to my pair and its transfer, I vote "yea."

Mr. JONES (when his name was called). I have a general pair with the senior Senator from Virginia [Mr. SWANSON]. I transfer that pair to the junior Senator from Maine [Mr. WHITE], and will vote. I vote "yea."

Mr. THOMAS of Oklahoma (when his name was called). On this question I have a pair with the junior Senator from Maryland [Mr. GOLDSBOROUGH]. Not knowing how he would vote, I withhold my vote. If at liberty to vote, I should vote "nay."

Mr. WAGNER (when his name was called). I am paired with the junior Senator from Missouri [Mr. PATTERSON]. I am informed that if he were present he would vote "yea." If I were at liberty to vote, I should vote "nay."

The roll call was concluded.

Mr. BINGHAM. I have a general pair with the junior Senator from Virginia [Mr. GLASS]. In his absence I transfer that pair to the senior Senator from New Jersey [Mr. KEAN], and will vote. I vote "yea."

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

The Senator from Delaware [Mr. TOWNSEND] with the Senator from Tennessee [Mr. MCKELLAR];

The Senator from Illinois [Mr. GLENN] with the Senator from Louisiana [Mr. LONG];

The Senator from Minnesota [Mr. SHIPSTEAD] with the Senator from Arkansas [Mrs. CARAWAY];

The Senator from Iowa [Mr. BROOKHART] with the Senator from West Virginia [Mr. NEELY]; and

The Senator from Minnesota [Mr. SCHALL] with the Senator from Illinois [Mr. LEWIS].

The result was announced—yeas 38, nays 34, as follows:

YEAS—38

Ashurst	Dickinson	Hebert	Reed
Bailey	Fess	Howell	Robinson, Ark.
Barbour	Fletcher	Jones	Sheppard
Barkley	George	Kendrick	Shortridge
Bingham	Gore	King	Smoot
Bratton	Hale	Logan	Thomas, Idaho
Broussard	Harrison	McGill	Watson
Carey	Hastings	McNary	Wheeler
Connally	Hatfield	Metcalf	
Dale	Hayden	Pittman	

NAYS—34

Bankhead	Capper	Davis	La Follette
Blaine	Cohen	Dill	Moses
Borah	Coolidge	Frazier	Norbeck
Bulkley	Copeland	Hawes	Norris
Bulow	Couzens	Johnson	Nye
Byrnes	Cutting	Keyes	Oddie
Robinson, Ind.	Stephens	Vandenberg	Walsh, Mass.
Smith	Trammell	Walcott	Walsh, Mont.
Steiwer	Tydings		

NOT VOTING—24

Austin	Glenn	McKellar	Swanson
Black	Goldsborough	Morrison	Thomas, Okla.
Brookhart	Hull	Neely	Townsend
Caraway	Kean	Patterson	Wagner
Costigan	Lewis	Schall	Waterman
Glass	Long	Shipstead	White

So the amendment of the committee was agreed to.

Mr. LA FOLLETTE. Mr. President, I desire at this time to enter a motion to reconsider the vote whereby the amendment of the junior Senator from Michigan [Mr. VANDENBERG] to strike out the paragraph on automobiles was rejected.

The VICE PRESIDENT. The motion will be entered. The clerk will state the next amendment of the committee.

The next amendment was, on page 248, after line 4, to insert:

(d) Under regulations prescribed by the commissioner, with the approval of the Secretary, the tax under subsection (a) shall not apply in the case of sales of bodies by the manufacturer, producer, or importer to a manufacturer or producer of automobile trucks or other automobiles to be sold by such vendee. For the purposes of subsection (a) such vendee shall be considered the manufacturer or producer of such bodies.

Mr. SMOOT. Mr. President, I desire to perfect that amendment. It is all right as it is, with the exception that in line 7, and again in line 10, after the letter "(a)," there should be inserted "or (b)," so that it will refer to two instead of one.

The VICE PRESIDENT. Without objection, the amendment, as modified, will be agreed to. The clerk will state the next amendment of the committee.

The next amendment was, on page 248, after line 12, to insert:

(e) (1) Where prior to August 1, 1934, any article subject to the tax imposed by this section has been sold by the manufacturer, producer, or importer, and is on such date held by a dealer and intended for sale, there shall be refunded to the manufacturer, producer, or importer the amount of the tax, or if the tax has not been paid, the tax shall be abated.

(2) As used in this subsection the term "dealer" includes a wholesaler, jobber, or distributor. For the purposes of this subsection, an article shall be considered as "held by a dealer" if title thereto has passed to such dealer (whether or not delivery to him has been made), and if for purposes of consumption title to such article or possession thereof has not at any time been transferred to any person other than a dealer.

The VICE PRESIDENT. The question is on the amendment of the committee.

BOULDER CANYON DAM

Mr. PITTMAN. Mr. President, I desire to speak about a matter which is probably a little foreign to this amendment.

At the time that we had the Interior Department appropriation bill before the Senate, it was admitted by the Senator in charge of the bill, the Senator from Utah [Mr. SMOOT], that it would be necessary to carry an additional appropriation in the first deficiency appropriation bill for the Boulder Canyon project.

I did not intend to discuss that matter, but some uneasiness has arisen with regard to the situation, and possibly some misunderstanding. I have made inquiry of the members of the Committee on Appropriations of the House of Representatives. The Secretary of the Interior has written a letter, not only to the Committee on Appropriations of the House, of which I have a copy, but to others, in which he states that unless approximately $10,000,000 additional is carried in the deficiency appropriation bill, the Government will stand to lose about $6,000,000, more or less.

I wish to state that the Government will lose, in my opinion, more than $6,000,000 if that appropriation is not made. That is the minimum. If destruction takes place during the year on that project, we may lose $20,000,000.

That is one of the projects referred to in the Wagner bill, discussed to-day, as a self-liquidating project. As a matter of fact, it is a capital-investment proposition. The Hoover dam will probably live 200 years. That, and the power house, will cost $55,000,000. It is an essentially unbusiness-

like proposition to carry such appropriations in the current expenses of the Government. Yet that is being done.

The bill introduced by the Senator from New York [Mr. WAGNER] provides that this $10,000,000 may be lifted right out of that appropriation, and carried under the Reconstruction Finance Corporation. Whether that bill or some other bill shall be enacted, such appropriations will be carried in some legislation.

The Department of the Interior estimated that $12,000,000 would be required this year for the Boulder Dam. The Bureau of the Budget, in its desire for economy, cut that to $10,000,000. The House, in its further desire for economy, cut it to $8,000,000. This body, in its excitement with regard to economy, cut it to $6,000,000.

We are face to face with a matter of contract. All of the power to be generated at that dam has been sold in advance. The contract for the construction has been signed, and obligations are due under the contract. The Government realized it could save millions of dollars by hastening that project, besides saving the risk of much destruction of life. It put a large penalty if they did not finish within seven years. They are prepared to complete it within that time.

More money will be required during this year than will be required during any other year. There are four enormous tunnels to divert the Colorado River in that canyon, which can divert it only in times of low water.

If they do not divert the water next fall, they will not be able to divert it for a year, and the whole force will have to be laid off; there will be thousands of idle men, with chances for destruction of the property and loss to the Government, according to the Secretary of the Interior, of $6,000,000 as the minimum amount, and what the contractors may claim for the breaking up of their organizations we do not know.

I am credibly informed that reports which have now been made, and which could have been made when the Budget estimates were first presented, show the facts to be as I have stated them. Congress must put $10,000,000 into the deficiency appropriation bill or stand to let the Government lose $6,000,000 or more and have 4,000 men discharged and an organization broken up for a year.

I have heard criticism of the Committee on Appropriations of the House of Representatives. I want to say now that there is no justification for that. There is not a bit of justification for such criticism. There is no opposition from the Committee on Appropriations of the House.

This is the trouble: The original Budget message did not carry estimates for the necessary funds. The Committee on Appropriations of the House stated that they would not go above the Budget estimate, and they will not go above them. It is essential to go above the estimate originally sent in by the Budget if existing conditions are to be met. The Secretary of the Interior has made his estimates, showing that $10,000,000 more is required, but the Bureau of the Budget has not acted. The bill may come out of the Committee on Appropriations any day with that item not included.

Mr. SMOOT rose.

Mr. PITTMAN. One moment. The Budget may be working on it now. I do not know. I hope they are. I only rose to defend the Committee on Appropriations of the House. They will have to report out the bill without that appropriation in it unless an estimate comes from the Budget.

Mr. SMOOT. Mr. President, I can not conceive of Congress adjourning at this session without making an appropriation of at least $10,000,000, and it is actually estimated that nearer $11,000,000 will be required to carry on the work referred to by the Senator from Nevada. That work can not be stopped without a loss to the Government, and no one can tell whether the amount required will be ten million or twenty million.

I am quite sure, as I said before, that when the facts are brought to the attention of the Director of the Budget the estimate will be sent up; and, indeed, I think he will be directed to send an estimate to cover the necessary amount. But I do not want to see Congress adjourn until the appropriation is made to carry on that great work.

If there were not the pressing necessity, I would say that if the work could be put off we should put it off. But it can not be put off without not only the loss of a year's work but the disorganization of a whole town, a force of 4,000 men, scattered over a wide territory. The work could not be stopped without bringing about that disastrous result.

That is only a part of the picture. As the Senator has said, the water this year will be higher than it has been for years. In some of the mountains in the eastern part of our State the waters go into the Green River and then into the Colorado. For years we have had only about 2 or 3 feet of snow in those mountains. This year we have had 14 or 15 feet of snow. What does that mean? It means, more than likely, that the water will be out of the banks just as soon as the first hot spell comes. That condition prevails clear down to the Boulder Dam. There are the tunnels to which the Senator has referred, if you can call them such, to carry off the water.

The work must not cease; that is all.

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

Mr. SMOOT. I yield.

Mr. BRATTON. The Senator from Nevada referred to the action of the Committee on Appropriations of the Senate in reducing the item $2,000,000.

Mr. SMOOT. Yes.

Mr. BRATTON. I think it should be said that when the committee took that action it was stated repeatedly, and concurred in by every member of the committee, that the deficiency appropriation bill must carry an item sufficient in amount to carry on the work effectively and uninterruptedly.

Mr. SMOOT. That was understood by every member of the committee.

Mr. BRATTON. The Senator from Utah was a member of the committee, and I was a member of the committee, and I think every one of us concurred in the view that the deficiency bill must carry enough money to permit the work to go forward without interruption.

Mr. SMOOT. The committee was so positive that that would be done that, in the extreme condition which existed, in order to take from the appropriation bill about $10,000,000 on account of the 10 per cent reduction ordered by the Senate, they did take $2,000,000 from the House provision for this work. But it was stated on the floor of the Senate that it was distinctly understood that that was done in order to meet the request made of the committee, and that any one who knew the situation would agree that the money must be appropriated.

Mr. BRATTON. It was stated not only on the floor of the Senate, but it was stated in the committee, that we made the cut in obedience to the resolution, but every member of the committee committed himself definitely to the proposition that the money must be provided in the deficiency bill.

Mr. SMOOT. Mr. President, I would go so far, if there were not an estimate from the Budget, as to ask unanimous consent from this body, when the bill was reported in the Senate, that that item go into it. I recognize that it could not go in without unanimous consent, but that is what I would do, and I suppose every other Senator who knows the situation would feel the same way.

Mr. BRATTON. As one member of the committee, I never would have consented to the cut except for the definite understanding that we were doing it in obedience to the resolution of the Senate, and confidently expected an estimate from the Budget to go into the deficiency bill. Otherwise the proposal would not have had my approval.

Mr. COPELAND. Mr. President, we were under obligations in the Committee on Appropriations to make a cut. It has been said time and time again on the floor that that system of an arbitrary cut of 10 per cent in the appropriations in each bill was so unscientific that it must lead us into just such errors as this.

I have no doubt but that when the economy subcommittee makes its report, and brings to us a list of economies which can be exercised all through the operations of the Govern-

ment, we may take this bill referred to to-night and make the appropriation necessary to go on with the work.

Anybody who knows anything about the Boulder Dam knows that it would be a crime not to do this summer that particular part of the work which is necessary at the time when the river is low before a flood comes which might interfere with the work for two or three years.

The committee labored under the lash of an action of the Senate which, to my mind, was a very unscientific and wrong way of dealing with this problem of economy. Every one of us wants economy, but we can not get it and not work hardships if we have to do it under such arbitrary cuts as the committee was forced to make in these circumstances.

Mr. PITTMAN. Mr. President, I do not want it to be inferred that I was criticizing the Senate committee or the House committee. I really rose to defend the House committee against some misunderstandings. I know that the House committee now understands this question and realizes that it is essential that this appropriation be made in order to carry out the contract. We have contracted to pay approximately $55,000,000 to the Six Companies. The Six Companies are interested in the time when that contract is completed, provided the Government will carry out its contract, and if it does not carry out its contract the Government will lose. In reality there will be twice as much money expended in the ensuing year as in any other year until the dam is completed. They can not divert the water of that river in that narrow canyon except at extreme low water. To do that they must build cofferdams, one just below the upper end of the tunnels and one just above the lower end. That is to turn the entire river through the four tunnels, 50 feet in diameter, which could carry the whole Mississippi River at normal flow where it passes St. Louis.

Senators can imagine what the flow would be there at high water. They have to pile all the labor they can gather to build the two diversion dams at low water so that they can sink 125 feet down into the bedrock for a base, for 600 feet up and down the stream, 250 feet at the base, and a thousand feet at the top.

That work has to be done. The Committee on Appropriations of the House can not make the appropriation without a supplemental estimate, and they will not; and I do not blame them.

Our Committee on Appropriations have gotten to the point where they are keeping within the Budget estimates, and if the Budget estimates were small originally by reason of a lack of knowledge of the construction problem, or by reason of a hope that they intended to make a supplemental estimate, the additional appropriation should be made, and I have no doubt an estimate is in progress of preparation at this time.

Mr. JONES. Mr. President, I would like to ask the Senator a question for information.

Mr. PITTMAN. I yield.

Mr. JONES. Has the work on the Boulder Dam slowed up any?

Mr. PITTMAN. Not a bit.

Mr. JONES. That is good. I felt satisfied it would continue just as rapidly as possible, but I just wondered whether from the fact that we did not appropriate all the money needed the work had slowed up any. I do not see any reason why it should slow up.

Mr. PITTMAN. They will quit on approximately the 1st day of October, unless they have these additional funds to work it.

Mr. JONES. They should get the appropriation.

REVENUE AND TAXATION—AMENDMENTS

Mr. FLETCHER submitted an amendment, and Mr. SMOOT submitted several amendments, intended to be proposed by them, respectively, to House bill 10236, the revenue and taxation bill, which were ordered to lie on the table and to be printed.

THE RELATION OF WAGE CUTTING TO UNEMPLOYMENT

Mr. WALSH of Massachusetts. Mr. President, I ask to have printed in the RECORD a speech of William Green, president of the American Federation of Labor, on the relation of wage cutting to unemployment.

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

SPEECH OF WILLIAM GREEN, PRESIDENT OF THE AMERICAN FEDERATION OF LABOR

In the existing national emergency all groups have suffered and all classes of people have been forced to face grave, difficult problems. Values have been destroyed, many fortunes have vanished, a large number of people who were considered wealthy have been made comparatively poor while millions of working people have been forced into idleness, which necessitated the depletion of their meager savings. It seems inconceivable that such a distressing economic change could have taken place within the borders of such a favored land as our own within the short space of three years.

The forces of depression have been waging war against the economic, financial, and industrial agencies of the Nation. They have been relentless in their attacks. The people have been their victims. No one has escaped. All have felt, perhaps in varying degrees, the destructive effect of the effective assaults which these invisible forces have delivered upon our social and economic order. When economic suffering is universal, applying to the Nation in a general way, comprehending all classes of people, kinship becomes a more vital reality, and complete recovery becomes a matter of common concern to all.

An appreciation of the seriousness of the situation has inspired the representatives of the Government and of all organized social groups to resist actively these forces which have imposed such widespread suffering and distress upon society. It is commonly understood that if the people are to conquer and normal conditions are to be restored, practical and constructive methods must be employed. We must demonstrate that human resourcefulness, genius, and courage are able to overcome, control, and master economic conditions which prevail.

There is a distinguishing difference in the tragic effect of the long-continued depression upon those who have suffered because of impairment in financial values and those who have been forced, because of unemployment, to exist upon a mere subsistence level. It is bad enough to sustain financial losses, but it is infinitely worse to be deprived of food and to suffer from the experiences of hunger and want. Dwindling bank accounts may arouse feelings of disappointment and regret, but the sight of his children starving will drive a man to desperation.

We must prepare to meet the social consequences of such a tragic situation if we permit it to continue indefinitely. For this reason we must face the situation heroically. If we have been engaging in wrong practices, we must stop them. The structure of our Government, built as it is upon the ideals of democracy, will not permanently withstand the assaults made upon it by an unsound economic system. The perpetuation of our form of government and the preservation of our governmental institutions depend very largely upon the social contentment and well-being of the masses of the people. In the light of these facts it is incomprehensible that the legislative bodies of the Nation would contribute to the state of social unrest either through failure to do their duty or through the enactment of unsound and unwise legislation.

The immediate problem is to place men and women now idle at work in the industrial establishments and business enterprises of the Nation, thus restoring to them their buying power and reviving markets which have been dormant for the past three years. Any avoidable increase in unemployment at this time would be most deplorable. This policy should be supplemented by a fixed and determined effort to maintain the existing diminished purchasing power of those who are employed, using that as a basis upon which to rebuild our shattered economic structure.

There can be no resumption of industrial activity in any section of the country until a demand has been created for manufactured goods. This demand must be predicated upon human needs and buying power. There must be a market before goods can be manufactured or sold. We know that the basis of our economic distress is found in the fact that buying and consuming power has been very largely destroyed. The mechanical equipment of industry, approximating the point of perfection, means nothing if there is no market for manufactured goods. The wheels of industry will remain silent and invested capital will have no earning power so long as the men and women who labor are idle and unable to buy.

Labor has long understood that if the buying power of the masses of the people were constantly reduced through the imposition of wage reductions unemployment would increase, social distress would prevail, and industry would suffer.

Labor firmly believes that wage cutting means the underwriting of the depression. Wage cutting is like bloodletting. It leaves the patient weakened and exhausted. It is amazing that many industrial leaders adhere to the primitive policy of wage cutting as a remedy for industrial ills. They persist in the application of this policy notwithstanding the facts and the records show that each succeeding wage reduction places the living standards and the consuming power of the masses of the people upon a lower level.

In the pursuit of this unsound policy they do not seem to take into account the fact that the volume of goods produced and sold must shrink in an amount exceeding the size of the wage reduction imposed. This is understood when the psychological effect

which follows the imposition of reductions in wages is appreciated. Fear of another wage reduction and the creation of a lack of confidence causes people to husband their resources, to economize, and to hoard savings. Buying power is frozen when wages go down and consuming power increases when wages go up and commodity prices increase. The excuse offered by some economists who support industrial leaders in the pursuit of a wage-cutting policy is that a reduction in commodity prices, with a corresponding increase in the purchasing power of the dollar, justifies such action. They advance the theory that cheap prices, cheap labor, with lowered standards of living, make for prosperity. Furthermore, they indicate their belief that the American standard of living, which must be commensurate with the requirements of American citizenship, should be based upon the shifting and changing value of the purchasing power of the dollar.

Labor refuses to accept this principle of economic philosophy. It knows from experience that it is unsound and, in application, most demoralizing.

The sale of manufactured goods and the volume of business has always followed the declining value of the contents of the pay envelope.

During the 2½-year period following the stock-market collapse of 1929 the incomes of the workers have been reduced 50 per cent. In February, 1932, wage payments to workers in factories and on railroads were just one-half of the 1929 average. The cost of living has decreased to some extent, but not sufficient to compensate for this loss. While workers have suffered a loss amounting to 50 cents out of each dollar, the decline in prices has saved them only 18 cents. Workers need 82 cents to-day to buy $1 worth of living costs, but they only have 50 cents with which to buy it. Accounting for both the decline in prices and wage losses, workers' incomes now, in the terms of the goods bought, are 39 per cent below the 1929 level. During February, 1932, sales to consumers were 30 per cent below the 1929 average. These facts are the best answer that can be given to the theory advanced by some economists that the increasing purchasing power of the dollar offsets the forced reductions imposed upon wage earners.

GOVERNMENT EMPLOYEES

Many of the reasons assigned for the imposition of reductions in wages in private industry do not apply to the Government or to employees of the Government. The competitive argument can not apply nor can the alleged sheer necessities claimed by private employers, as a justification for reductions in wage earners' pay, apply to the Federal Government. In fact, the savings which would accrue to the Treasury of the United States as a result of pay cuts imposed upon Federal workers would be comparatively inconsequential.

It may be possible to limit and curtail private industry and to completely destroy it through ruinous competition and wage reductions, but such a condition must not and can not be brought about in the administration of the affairs of government. The Government can very properly reduce expenses through the elimination of wasteful processes and duplication of effort and through the pursuit of wise economic policies and efficient planning and statesmanship, but it dare not imperil the basic work of the Government or the orderly functioning of the various branches of the Government. Efficiency and a high morale, on the part of Government employees, are valuable factors which should be preserved and encouraged in order to guarantee the maintenance of the administrative work of the Government upon a high and serviceable plane. These valuable attributes can not be preserved if Government workers are forced to forego the enjoyment of living standards which have been progressively erected through years of effort and service.

Many who have not given special study to the salaries and the classes of services of Government employees entertain the opinion that they are well paid and that they belong to a favored class of employees. They do not realize that for the past 30 years the increases in the earnings of Government employees have not kept pace with increases in earnings of employees of private industries. Listed among Government employees are many professional men, scientists, doctors, engineers, lawyers, and highly specialized groups of men and women who are entitled, by virtue of their learning, their zeal, and their fitness to give service, to receive a salary commensurate with that paid by private industry. The high quality of this type of service is recognized by industry, but the Government pays less for such work than non-Government employers.

As the grade of work performed advances and the years of experience mount up the differential becomes greater, due to the failure to increase wages and salaries. At the present time the differential is so great that if it were not for the fact that these public-minded groups were willing to make great personal sacrifices the Government would not be able to keep them in its employ. Their minds are attuned to their work and they naturally are willing to balance their hope of financial gain with the feeling of security of position and salary which their position has always held. It will be difficult for the Government to hold such exceptional men if this sense of security is destroyed. In this group about one employee in every four received $2,200 or more, but less than $5,000 per year.

Referring to the largest and most notoriously underpaid group, it is astonishing to note that in the three-fourths of a million civil employees of the Government only 3 in 500 receive $5,000 or more per year. This includes the members of the President's Cabinet, Assistant Secretaries, and bureau chiefs. In contrast, about one in six Government employees receives less than $1,000 a year, or $20 per week, and three out of every four receive less than $2,200 a year, or $43 per week.

It can readily be seen that in order to make any substantial reduction in the amount of the Government pay roll it will be necessary to draw the reduction from those least able to pay it. A 10 per cent cut in salaries above $2,700 will only reduce the civil pay roll about 1½ per cent and will only reduce the total expenditures about one-third of 1 per cent.

The Federal Budget can not be balanced by a reduction in salaries alone. Many acts will be necessary to balance the Budget. There are certain expenditures which can not be curtailed, but there are many avenues open for ways of economy. These avenues should be pursued and the attempts to force a reduction in wages upon the underpaid group of Government employees should be abandoned.

The proposed cuts of salaries of Federal employees will not reduce the direct taxes of the farmer, the small business man, and the laborer. It is estimated that over half the national income arises from income and profit taxes. The average man contributes to this amount through a series of petty taxes such as are imposed upon tobacco, on automobile sales, on some forms of amusement and club activities, and many other nonessential items of living expense. Ninety-seven per cent of our people pay no Federal income tax and any reduction in their tax burden must come through a reduction of State and local taxes.

The Budget can be balanced without resorting to wage cutting by the Federal Government. Our Country is great and resourceful. Any cut in wages which might be imposed would not affect, to any perceptible degree, the balancing of the Budget. Failure to accomplish the balancing of the Budget would not be the greatest calamity which could be experienced by the Government. The prevention of social unrest and industrial discontent and the preservation and safeguarding of human life are objectives far more worthy and necessary than balancing the Budget at this time.

The greatest task of the Government, one which transcends all others in importance, is to provide work for the unemployed, to relieve existing human distress and to restore the faith and confidence of the American people in American business, in the financial institutions of our Nation, and in the integrity of the Government and its ability to govern wisely and for the best good of all the people. A return to normal conditions depends upon the development and application of sound, wise, constructive policies.

Wage cutting must cease and the people must be assured that it is at an end if buying power is to be restored and business is to be revived. The time is here when the leadership of the Nation, both in private industry and in governmental affairs, must speak out, assuring the people that all our concentrated economic, industrial, and governmental power will be utilized in an effort to stop the decline in wage-earners' incomes and in commodity prices. Such a declaration would have a most profound effect upon the mental attitude of all the people. They would feel that the end of depression's war had been reached. The psychology of hope would be substituted for one of despair. With the preservation of wage standards set for Government employees and the adjustments in working time in private industry made necessary through the introduction of mechanical devices, our Nation will return to normal conditions and assume and maintain the supreme position it has always held in the industrial world.

THE FARM PROBLEM—DOMESTIC ALLOTMENT PLAN

Mr. NORBECK. Mr. President, the agricultural relief bill reported favorably from the Committee on Agriculture and Forestry, is the so-called three-way plan and has the indorsement of all farm organizations.

It provides three methods by which the Farm Board may operate to give the American farmer an American price for that part of his products which are consumed in this country—and most of them are—

(1) The board may put the equalization fee into effect; or

(2) It may invoke the debenture feature; or

(3) It may put into effect an allotment plan.

The latter has been very little discussed and is not well understood. The main advantage claimed for the allotment plan is that it will automatically control production, because the producer will get an American price only for that part of his products which are for domestic consumption.

Of late there has been a fuller realization of the fact that the agricultural problem is the underlying difficulty of our whole economic depression, which has been aggravated by the causes. This has led to a study of the different plans proposed in a desire to bring about that which is best.

The main objection to the 3-way plan now pending is that it is not mandatory, only optional. There are different plans proposed which improve the allotment feature of same.

Mr. President, I ask that there may be printed in the RECORD an explanation of another domestic allotment plan,

by W. R. Ronald, of Mitchell, S. Dak., publisher of the Mitchell Republican. Mr. Ronald is a member of a committee of five appointed at a recent meeting held at Chicago whose purpose it is to bring before the public the merits of this plan.

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

THE DOMESTIC ALLOTMENT PLAN

W. R. Ronald, of Mitchell, S. Dak., member of a committee chosen at a Chicago conference to promote the domestic allotment plan to make the tariff effective on farm products of which there is an exportable surplus, spoke as follows at a luncheon attended by various Members of the Senate and House of Representatives:

"The idea of the domestic allotment plan was first suggested by the late Doctor Spillman, of the United States Department of Agriculture, in 1926. In 1929 Prof. John D. Black, of Harvard University, who is also chief economist of the Federal Farm Board, wrote in his collegiate capacity a book entitled 'Agricultural Reform in the United States,' in which he devoted a chapter to the allotment plan of making the tariff effective on home consumption of farm products of which there is an exportable surplus. He developed the idea considerably from the form in which Doctor Spillman presented it.

"In the past two years Prof. M. L. Wilson, head of the department of agricultural economics of the Montana State College, Bozeman, Mont., made some 50 addresses to meetings of farmers, at each of which he explained the four different plans of making the tariff work for the farmer or, at least, improve domestic prices—stabilization, the equalization fee, the export debenture, and the allotment plan. He attempted to make no case for any of them, but in each meeting the farmers declared emphatically for the allotment plan. As a result, the Montana State Farm Bureau at its last meeting indorsed the proposal.

"In consequence of this, Vice President Stockton, of the Montana State Farm Bureau, invited a number of those who had become interested in the plan to attend a conference at Chicago to discuss it. This group indorsed the principles of the plan and named a committee composed of M. L. Wilson, chairman; E. H. Harriman, of Boston, Mass. (newly elected president of the United States Chamber of Commerce); Louis S. Clark, of Omaha, president of the Mortgage Investors' Association of Nebraska; Henry A. Wallace, editor of Wallace's Farmer, of Des Moines, Iowa; R. R. Rogers, of Newark, N. J.; and W. R. Ronald, editor of the Mitchell (S. Dak.) Evening Republican, and instructed the committee to complete a bill for introduction into Congress. Following this, Mr. Wilson spent some two weeks in Washington and New York and presented the plan to a considerable number who have opposed all other farm price measures, including some high in official and business life, and found general approval of the plan for the reason that, unlike all others, it prevents any increase in acreage or production of products benefited but actually makes possible positive reduction of them when found desirable.

"This bill is not to be understood as being in conflict with the measure now in Congress supported by the three farm organizations, inasmuch as it would accomplish all the objects of the present and proposed law, and more, as follows:

First. It would bring about real stabilization with corresponding benefits to markets, and do it without cost to the Federal Treasury.

Second. It would accomplish all that is proposed by the equalization fee and more, because it would make the full amount of the tariff (instead of just a fraction of it) effective on the entire domestic consumption.

Third. It would accomplish all that is proposed by the export debenture, and more, because, as a subsidy it would apply not partially but wholly, and not just on the exports but on the home consumption, producing several times as much for the farmer as the export debenture.

Fourth. It is an elaboration and development of the allotment plan proposed in the third section of the measure introduced by the farm organizations, not only making it effective and positive in action, but rendering it apparently constitutional beyond all doubt and altogether self-financing.

This plan differs from the 3-way proposal of the farm organizations in that it would be mandatory upon the Farm Board to put it into operation as to any commodity once the specified percentage of those engaged in the production of the commodity in question should vote or petition the Farm Board to do so.

In the completion of the bill to be presented to Congress, many suggestions have been received from many sources, but the committee is fully aware that it will be perfected in its consideration by Congress. In the outline it will give you I will present the measure as it now stands, with a number of points recognized as subject to further consideration.

When 60 per cent of the producers or production of any one of the farm commodities of which there is now a surplus—wheat, cotton, hogs, tobacco, and rice—is presented to the Farm Board, it shall proceed to apply the allotment plan to the production of that farm product. (Provision is made for extension to other farm products in the discretion of the Farm Board.)

The Farm Board will have records of individual production for the last five years in the vote or petition submitted. From crop reporting figures the Farm Board will proceed to allot the amount of the domestic consumption of the wheat or cotton or tobacco or rice to the various producing States in proportion to their average production for five years. Thus, if it is found that the annual domestic consumption of wheat, for example, is 500,000,000 bushels, and South Dakota had averaged 5 per cent of the total wheat production of the country, South Dakota will be allotted 25,000,000 bushels on which the tariff-adjustment fee would be paid.

Thereupon a State allotment commission of seven members would be named by the governor of each State, and this would allot the State allotment to the various counties in proportion to their production in the last preceding five years. The State commission would select a county commission, which allots the county's share to the individual farmers in proportion to their average acreage in the past five years (or in proportion to their average production, as may be decided).

Thereupon each farmer for whom an allotment has been made may secure from the county commission his allotment certificates, but on condition that he sign an application or contract in which he will agree to abide by conditions imposed. One of the conditions which the Farm Board may insert in this contract is a provision that the farmer shall not increase his acreage or one that he shall decrease it by any per cent determined by the Farm Board, or that he may increase it by any per cent specified by the board. This contract, voluntarily entered into by the farmer, is a most important feature of this plan; in fact, the heart of it. Because it is voluntary it is constitutional. Because no farmer would be likely to pass up the tariff benefits allotted him, he would gladly enter into the contract. However, there is no obligation upon him to do so. He would have no objection to a horizontal reduction in acreage, because he would know all others were doing the same; in fact, he would rejoice because of the prospect of improved prices as a result of so effective a procedure to do away with overproduction and consequently disastrous prices. The contract would be observed, if the penalty proposed is imposed, that of loss of allotment rights.

The Federal Farm Board is authorized to declare a charge (really an excise tax) upon the manufacture or processing or slaughtering of any of farm products named, the charge to be protected by establishment of a corresponding duty on the raw product, and compensatory duties and regulations for their applications upon all manufactures in order that processors and manufacturers may be fully protected up to the full amount of the excise tax as it may increase their costs. This charge (excise tax) may be imposed by the Farm Board either at the time of processing or at the time of sale as it may determine to be the more equitable. A drawback will be paid on all exports of processed or manufactured product. The Internal Revenue Bureau will collect the tax and make the necessary regulations therefor. A special revolving fund of the proceeds will be set up in the United States Treasury out of which to pay the tariff adjustment fees to the farmers.

The amount of the charge (excise tax) proposed for the five farm products named to receive tariff benefits from the outset are: 42 cents per bushel on wheat, 5 cents per pound on cotton, 3 cents per pound on hogs, 5 cents per pound on tobacco, and a half a cent on rice. The amount of the charge (and tariff) on each commodity shall be subject to change from time to time.

To assist it in determining the reasonableness of any of the tariffs, the Farm Board, it is proposed, shall include in the contract with individual farmers an agreement to keep a record of costs if called upon to do so. The Farm Board shall specify a certain number in each county, probably five, to be selected by the county allotment commission, to keep this record of costs on standard simplified forms worked out by the Farm Board with the assistance of agricultural colleges. These records shall keep, first, the cost of products of the soil, and, secondly, by-products, such as livestock, dairy products, poultry, etc., distributing overhead in proportion to the total value of each item of production. Included in the cost it is suggested the following be included:

1. Interest on the principal at 5 per cent; the principal to be not less than (a) twice the farm-mortgage indebtedness, or (b) the pre-war actual price of the land increased by the percentage of increase in prices of nonagricultural commodities in the period from 1922 to 1932 as compared with 1909 to 1914.

2. Actual depreciation on buildings, equipment, and machinery.

3. Wages for all time necessarily consumed in the operation of farm by all employees, including the farmer and members of his family, at rates for unskilled labor.

If, upon compilation of these actual costs, the Farm Board shall find, over a reasonable period, that tariffs are too low, it shall recommend increases in them to the Tariff Commission; if it finds that they are too high, in justice to the consumer, it shall recommend decreases.

At the conclusion of the allotment year, or semiannually, as may be specified, the Farm Board shall ascertain the amount received by the Federal Treasury from the tax—tariff-adjustment charge—on each product. It shall deduct therefrom the total expense of administration of the plan with reference to the commodity. The amount remaining shall be prorated among the individual farmers holding allotment certificates.

The allotment certificates are made discountable at the Federal reserve banks. In the case of crops the farmer will have performed his part of the contract when he sows or plants not to exceed the specified number of acres. Thus the certificates will operate as crop insurance. He may sell, keep, or feed his crop as he wishes in the usual market manner. This plan does not in any way involve participation in marketing—it accomplishes its end by dealing solely in production, and that in the case of crops only to the extent of limiting acreage.

The Farm Board, it is suggested, should be required to allow a margin in estimating the domestic allotment of crops for the first year; for example, 10 per cent less than the conservative estimate of the amount required for domestic consumption. Thereafter the allotment of crops should be in each year the exact amount of the actual consumption in the preceding year.

It is asked how a new farmer could participate, or one who had not produced any of the product in question during the past five years. The answer is that the farm in the unit of allotment, regardless of ownership or tenantry, so a young farmer could come into the allotment going with the farm. In the other case, the farmer could begin producing the crop in question, and since the allotment each year would be based on actual production (or acreage) in the past five years, he would gradually come into his desired allotment. Similarly, any farmer decreasing his acreage would receive a correspondingly diminishing allotment. This would permit gradual shifts in production as from farm to farm and area to area.

County commissions, under the draft of the bill, would work without compensation but employ such clerical help or executive help as would be needed. Members of the State commission would be allowed per diem and expenses. Appeals from decisions of the county commissions would be made to the State commissions and from the State commissions to the Farm Board or an arbitration board. It is not believed there would be many such appeals, because under an annual reallotment there would be opportunity to correct any mistakes or inequalities.

The plan is necessarily changed somewhat in its application to hogs. A bushel of wheat is a bushel of wheat and a pound of cotton is a pound of cotton, but a pig may be marketed at 100 pounds or at 500 pounds. So in the case of hogs there must be control of the size of the hog as well as the number.

In the case of crops the acre is used as the unit of control. In the case of hogs it is proposed to use the sow in the same way. The survey in the case of hogs would reveal the average number of brood sows on the farm in question for the past five years. The Farm Board would thus have the total of brood sows, and it is suggested that the plan be not put into operation for hogs until the survey shows 95 per cent of the brood sows of the country by a check with Department of Agriculture figures and other records. The individual allotment would be in number of brood sows.

At the outset of the allotment year for hogs the Farm Board would estimate the annual domestic consumption of hog products; this, divided by the total number of brood sows, would give the domestic consumption ratio of pounds that may be marketed, under the allotment contract, by each farmer, and receive the bonus of 3 cents per pound. In addition, the Farm Board shall estimate the exports of hog products and divide this by the number of brood sows in the country, and this would give the ratio of pounds each farmer might sell in addition to the domestic-consumption ratio. The sum of the two would be the maximum number of pounds he would be permitted to market for slaughter. The Farm Board must be required to revise its estimate of both domestic consumption and exports each month, each time on an annual basis, for guidance to the farmer through the resulting ratio for each also announced at the same time.

Each farmer would be required to report on a form provided each sale of hogs, either for breeding, for feeding, or for slaughter. At the end of the year the county commission would total his sales for slaughter. If the total did not exceed the total indicated by the sales ratio as announced by the Farm Board, multiplied by the number of sows allotted to him, he would receive an allotment certificate of 3 cents per pound on the total number of pounds allowed him under the domestic consumption ratio. However, if his total sales for slaughter should exceed the gross sales allowed under the gross-sales ratio, then the excess shall be deducted from the number of pounds on which he receives a bonus.

For example: A farmer's allotment of brood sows is 10; the domestic consumption ratio for the year as announced by the Farm Board is 1,000 pounds per sow; and the export ratio is 100 pounds, the sales ratio, of course, being 1,100 pounds. If the farmer had sold for slaughter not more than 1,100 pounds, he would receive on his allotment certificate $300. If, however, he had sold 13,000 pounds in all, the excess of 2,000 pounds would be deducted from the 10,000 pounds on which otherwise his bonus would be figured; so that, instead of $300, he would receive $240.

In operation this would result in each farmer selling his drove when it about reached the gross allowed him. With small litters, it would mean heavy hogs; with large litters, light ones. In the case of hogs, certificates must be transferable, in whole or in part. Thus, if a farmer lost his hogs by cholera, he could sell his certificate; thus providing insurance for his hog crop. If his feed crop should fail, he could sell his pigs and also his certificate. Thus there would be entire freedom in the handling of droves.

A tax of 3 cents per pound on lard substitutes must be provided by the act if it applies to hogs.

This automatic balance between consumption and supply of hogs would in itself completely stabilize the market, do away with extremes in weights and violent fluctuations in markets. If sales were diverted to beef and mutton, the sales ratio would immediately come down, so that there would be no excess on the market. The packer would be protected, and if futures on exports are recognized, it should greatly assist the packer in handling product.

BENEFITS FROM THE PLAN

While extravagant claims are usually made for proposed legislation, the following anticipated benefits from the proposed act are, I believe, at least arguable:

First. It not only prevents any increase in production as a consequence of realization of the tariff on farm products not now enjoying it, but it provides for a positive method of decreasing or increasing production as it is evident to the Farm Board is required either for a fair income to the producer or a fair price to the consumer; and in addition, the tariff rates would be flexible, providing a further safeguard to consumers.

Second. Thus the act would accomplish real stabilization, in an unsuccessful attempt to secure which Congress has made available to the Farm Board a half billion dollars, and it would be accomplished by dealing altogether with production and not at all with marketing. At the same time the present marketing act is not disturbed, this being proposed as an addition. Thus the cooperatives could still be assisted or encouraged. But with stabilized markets their operations could easily be financed without Government funds, thus releasing in all probability much, if not all, of the five hundred millions voted to the Farm Board. This is a source of income for the Treasury which has been overlooked in the quest for a balance for the Budget. Very largely, therefore, it could be used to put the Government out of the grain and cotton businesses.

Third. The bill attains all the ends and more of present and proposed legislation, as heretofore explained.

Fourth. The measure would produce not less than $700,000,000 of tariff benefits to the producers of wheat, cotton, hogs, tobacco, and rice, and much more, probably, as a result of markets strengthened by stabilization and by bringing production closely into balance with consumption.

Fifth. It would make certain the collection of outstanding seed and feed loans made by the Federal Government and would probably render them unnecessary in the future, as the allotment certificates could be used for credit.

Sixth. The direct returns to producers would amortize the $7,000,000,000 of farm mortgages now outstanding (to use a most conservative figure) in 20 years. That is to say, the $700,000,000 would pay 5 per cent interest on the principal and retire the principal in 20 years, making no allowance for reductions in interest as the balance due is decreased. This would show the way to hundreds of thousands of farmers who are now unable, because of low prices, even to pay interest on their indebtedness, or even their property taxes.

Seventh. This, in turn, would protect the Federal land banks and private farm-loan companies from further losses, and should enable them to dispose of lands taken on foreclosure at satisfactory prices. In other words, and what is more significant, it would put a firm bottom under the farm real-estate market, with all the resulting benefits in bringing about a recovery in agriculture.

Eighth. Through the stabilization and prevention of overproduction made positively possible under this plan, the Farm Board should be able to recover losses sustained in its attempts to stabilize the wheat and cotton markets.

Ninth. It would decentralize administration of one important governmental activity. The county commission is the important body in this set-up, and thus the problems of the farmer would be largely dealt with by his neighbors.

Tenth. It would bring about the first price recovery, and this is now recognized by responsible business leaders as the one way by which to begin a return of public confidence.

Eleventh. It would open a market closed for the past 10 years because the exchange value of farm products has kept the farm dollar at a discount of from 8 to 48 cents, as shown by Department of Agriculture reports. The 30,000,000 people dependent on agriculture have not participated in the buying of the past decade for want of purchasing power. Potential sales to them are simply enormous.

Twelfth. In a word, this is an emergency reconstruction measure of the first magnitude, but markedly different from others enacted and proposed in that it would be completely self-financed, making it possible for our greatest industry to help itself to its feet.

EXECUTIVE MESSAGE REFERRED

The VICE PRESIDENT, as in executive session, laid before the Senate a message from the President of the United States, submitting the nomination of Capt. Harry G. Hamlet, of Washington, to be commandant, with the rank of rear admiral, in the Coast Guard of the United States, for the term of four years, in place of Rear Admiral Frederick C. Billard, deceased, which was referred to the Committee on Commerce.

REVENUE AND TAXATION

The Senate resumed the consideration of the bill (H. R. 10236) to provide revenue, equalize taxation, and for other purposes.

The VICE PRESIDENT. The clerk will state the next amendment.

The next amendment of the Committee on Finance was, on page 249, to strike out lines 4 to 24, as follows:

(3) Under regulations prescribed by the commissioner, with the approval of the Secretary, the refund provided by this subsection—(A) may be applied as a credit against the tax shown by subsequent returns of the manufacturer, producer, or importer, and (B) may be made to the dealer instead of to the manufacturer, producer, or importer, if the manufacturer, producer, or importer waives any claim for the amount so to be refunded.

(4) When the refund, credit, or abatement provided for in this subsection has been allowed to the manufacturer, producer, or importer, he shall remit to the dealer to whom was sold the article in respect of which the refund, credit, or abatement was allowed, so much of that amount of the tax corresponding to the refund, credit, or abatement as was included in or added to the price paid or agreed to be paid by the dealer. Upon the failure of the manufacturer, producer, or importer to make such remission he shall be liable to the dealer for damages in the amount of three times the amount thereof, and the court shall include in any judgment in favor of the dealer in any suit for the recovery of such damages, costs of the suit and a reasonable attorney's fee to be fixed by the court.

The amendment was agreed to.

The next amendment was, at the top of page 250, to strike out:

SEC. 606. TAX ON BOATS

There is hereby imposed upon the following articles, sold by the manufacturer, producer, or importer, a tax equivalent to 10 per cent of the price for which so sold: Yachts and motor boats not designed for trade, fishing, or national defense; and pleasure boats and pleasure canoes if sold for more than $15.

Mr. DILL. Mr. President, how much of a loss will the country sustain, or how much of a loss will the Treasury sustain, by virtue of this amendment?

Mr. SMOOT. It is estimated at about $500,000.

Mr. DILL. It seems to me this is one of the most indefensible amendments the committee has proposed. Here is a provision that proposes to put a tax upon yachts not used in trade or business. We have been talking to-night about the desperate condition of various kinds of business, and yet here is a tax that is proposed to be levied on pleasure yachts and boats. I would like to know on what theory the committee struck out this tax?

Mr. TYDINGS. Mr. President, many of the so-called yachts embraced under this amendment would be nothing more than a fishing boat. It is pretty hard to draw the line, because a man having a seasonal business, fishing two or three months, may then use his boat for pleasure, and it becomes a so-called pleasure yacht.

Mr. DILL. But the amendment says if it is used for fishing it is exempt. I want the Senator from Utah to answer my question, if he will. What was the theory of the committee upon which the amendment was struck out?

Mr. SMOOT. The only theory I know anything about was that we tried to strike out of the bill all the nuisance taxes.

Mr. DILL. But they did not strike out the automobile tax.

Mr. SMOOT. We had to have that provision to raise money. I am not going to object to whatever the Senate may want to do in the matter.

Mr. BARKLEY. Mr. President, as a matter of fact, after trying in every conceivable way to adopt some just basis for taxing pleasure boats, whether by length or power, or in whatever way, the committee gave it up as a bad job and decided to eliminate it altogether. There were two or three standards proposed. We would march up the hill one day and then the next day we would march down the hill. No man could keep up with the committee on that and a lot of other things unless he wore roller skates.

Mr. DILL. This provision lays down a cost basis of $15. I have no prejudice against people who have yachts, but would like to have one myself. However, if I had money enough to buy a yacht for myself, I think I would have money enough to pay taxes on it.

Mr. TYDINGS. The amendment provides 10 per cent on a basis of $15. I may point out to the Senator that many men would prefer to live on the water and buy a $200 or $300 motor boat in place of an automobile, yet the committee would tax the automobile only 4 per cent and under this amendment would tax the yacht 10 per cent. Certainly the yacht owner is entitled, if he wants to go out on the water, at least not to pay any greater tax.

Mr. SMOOT. I want to call attention to one reason why it went out, and that is because we provided in the committee, before the bill was reported, a tax on the use of the boat. When we did that, this provision was stricken out. Finally the provision relating to the use of the boat was stricken out, and then both of them were out.

Mr. DILL. Then the excuse on which it was stricken out was gone, and it became unwise to disagree to the committee amendment.

Mr. SMOOT. It is up to the Senate.

Mr. KING. Mr. President, I know that in the discussion of this item there was some suggestion made that a considerable number of persons would find employment in building these small boats and that a large number of them were being built along the Atlantic coast, if not on the Pacific coast.

Mr. DILL. Does the Senator think a 10 per cent tax is going to interfere with employment sufficiently to justify striking out a tax that will bring in at least $500,000?

Mr. TYDINGS. Of course, I realize that the Senator wants to get at the so-called pleasure or sporting yachts. May I point out to him that we have already increased the cost of operating these yachts by increasing the cost of the fuel upon which they run? I am only speaking locally for the moment, but three years ago in Maryland hard-shelled crabs brought $5 a barrel. To-day the same barrel full of hard-shelled crabs is selling for $1. Soft-shelled crabs can be bought for 20 cents a dozen. In dealing with these yachts it is very hard to draw a definition that will bring the boat out of the class of a work boat and put it in the class of a pleasure boat, because many of these boats are used only two or three months for the business of fishing and the rest of the year they are pleasure yachts.

Mr. DILL. The Senator's discussion does not apply because the amendment specifically says if used for these purposes. It seems to me ridiculous to tax automobiles and not make any distinction whether used for pleasure or otherwise, and then to relieve the yacht owners and pleasure-boat owners of any tax at all.

Mr. TYDINGS. The committee wants this provision stricken out.

Mr. SMOOT. That was the action of the committee.

The VICE PRESIDENT. The question is on agreeing to the amendment of the committee [putting the question]. The amendment is rejected. The clerk will state the next amendment.

The next amendment of the Committee on Finance was, on page 250, after line 19, to strike out:

SEC. 608. TAX ON MECHANICAL REFRIGERATORS

There is hereby imposed upon the following articles, sold by the manufacturer, producer, or importer, a tax equivalent to 5 per cent of the price for which so sold:

(a) Household type refrigerators (for single or multiple cabinet installations) operated with electricity, gas, kerosene, or other means (including parts or accessories therefor sold on or in connection therewith or with the sale thereof).

(b) Cabinets, compressors, condensers, expansion units, absorbers, and controls (hereinafter referred to as "refrigerator components") for, or suitable for use as part of or with, any of the articles enumerated in subsection (a) (including in each case parts or accessories for such refrigerator components sold on or in connection therewith or with the sale thereof) except when sold as component parts of complete refrigerators or refrigerating or cooling apparatus. Under regulations prescribed by the commissioner, with the approval of the Secretary, the tax under this subsection shall not apply in the case of sales of any such refrigerator components by the manufacturer, producer, or importer to a manufacturer or producer of refrigerators or refrigerating or cooling apparatus. If any such refrigerator components are resold by such vendee otherwise than on or in connection with, or with the sale of, complete refrigerators or refrigerating or cooling apparatus, manufactured or produced by such vendee, then for the purposes of this section the vendee shall be considered the manufacturer or producer of the refrigerator components so resold.

The amendment was agreed to.

The next amendment was, at the top of page 252, to strike out:

SEC. 609. TAX ON SPORTING GOODS

There is hereby imposed upon the following articles, sold by the manufacturer, producer, or importer, a tax equivalent to 10 per cent of the price for which so sold: Tennis rackets, nets, racket covers and presses, skates, snowshoes, skis, toboggans, canoe paddles and cushions, polo mallets, baseball bats, gloves, masks, protectors, shoes and uniforms, football helmets, harness and goals, basketball goals and uniforms, golf bags and clubs, lacrosse sticks, balls of all kinds, including baseballs, footballs, tennis, golf, lacrosse, billiard and pool balls, fishing rods and reels, billiard and pool tables, chess and checker boards and pieces, dice, games and parts of games (except playing cards and children's toys and games); and all similar articles commonly or commercially known as sporting goods.

The amendment was agreed to.

Mr. CONNALLY. Mr. President, on page 250 did the provision relating to mechanical refrigerators go out?

The VICE PRESIDENT. That amendment was agreed to.

Mr. SMOOT. We should have a reconsideration of that.

Mr. CONNALLY. Yes; that ought to be passed over.

The VICE PRESIDENT. Without objection the vote by which the amendment was agreed to will be reconsidered and the amendment passed over.

Mr. CONNALLY. The committee still has that under advisement.

The VICE PRESIDENT. The clerk will state the next amendment.

The next amendment of the Committee on Finance was, on page 252, after line 15, to strike out:

SEC. 610. TAX OF FIREARMS, SHELLS, AND CARTRIDGES

There is hereby imposed upon firearms, shells, and cartridges, sold by the manufacturer, producer, or importer, a tax equivalent to 10 per cent of the price for which so sold. The tax imposed by this section shall not apply (1) to articles sold for the use of the United States, any State, Territory, or possession of the United States, any political subdivision thereof, or the District of Columbia, or (2) to pistols and revolvers.

Mr. COSTIGAN. Mr. President, I request that the amendment just stated go over.

The VICE PRESIDENT. Without objection, the amendment will be passed over, and the clerk will state the next amendment.

The next amendment of the Committee on Finance was, at the top of page 253, to strike out:

SEC. 611. TAX ON CAMERAS

There is hereby imposed upon cameras, weighing not more than 100 pounds, and lenses for such cameras, sold by the manufacturer, producer, or importer, a tax equivalent to 10 per cent of the price for which so sold.

The amendment was agreed to.

The next amendment was, on page 253, after line 5, to strike out:

SEC. 612. TAX ON MATCHES

There is hereby imposed upon matches, sold by the manufacturer, producer, or importer, a tax of 4 cents per 1,000 matches.

The amendment was agreed to.

Mr. BANKHEAD. 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	Costigan	Hull	Pittman
Bailey	Couzens	Johnson	Reed
Bankhead	Davis	Jones	Robinson, Ark.
Barbour	Dickinson	Kean	Robinson, Ind.
Barkley	Dill	Kendrick	Sheppard
Bingham	Fess	Keyes	Shortridge
Blaine	Fletcher	King	Smith
Borah	Frazier	La Follette	Smoot
Bratton	George	Lewis	Steiwer
Broussard	Glass	Logan	Stephens
Bulkley	Gore	McGill	Thomas, Okla.
Bulow	Hale	McNary	Townsend
Byrnes	Harrison	Metcalf	Trammell
Capper	Hastings	Moses	Tydings
Carey	Hatfield	Neely	Vandenberg
Cohen	Hawes	Norbeck	Walcott
Connally	Hayden	Norris	Walsh, Mont.
Coolidge	Hebert	Nye	Watson
Copeland	Howell	Oddie	Wheeler

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

The Secretary will state the next amendment.

The CHIEF CLERK. On page 253, after line 9, the committee propose to strike out:

SEC. 613. TAX ON CANDY

There is hereby imposed upon candy, sold by the manufacturer, producer, or importer, a tax equivalent to 5 per cent of the price for which so sold.

The amendment was agreed to.

The next amendment was, on page 253, line 17, after the word "to," to strike out "5 per cent" and insert "3 per cent," so as to make the section read:

SEC. 604. TAX ON CHEWING GUM

There is hereby imposed upon chewing gum or substitutes therefor, sold by the manufacturer, producer, or importer, a tax equivalent to 3 per cent of the price for which so sold.

Mr. LA FOLLETTE. Mr. President, I desire at this time to enter a motion to reconsider the votes whereby the committee amendments on pages 250, 251, and 252, and down to and including line 14, on page 253, were agreed to, with the exception of corrective amendments such as changing section numbers, and so on.

The VICE PRESIDENT. Some of the amendments on the pages indicated went over by unanimous consent. The motion of the Senator from Wisconsin will be entered on such amendments as were not passed over. The question is on the committee amendment on page 253, line 17.

Mr. ROBINSON of Arkansas. Mr. President, a limited investigation of this subject discloses that the proposed tax on chewing gum is higher than that which was imposed during the World War. It is contended by the small manufacturers of this commodity that the tax is confiscatory. I note that the Finance Committee struck from the bill a large amount of revenue estimated to be raised by taxes on cosmetics, jewelry, furs, candy, soft drinks, matches, firearms, shells, refrigerators, sporting goods, and boats. The aggregate amount of the revenue thus stricken from the bill is very great indeed.

The sole item in that classification left in the bill is that now under consideration. It is true that the committee amendment proposes a reduction below the House rate, but I believe that it would be wise and just to make the rate the same as that which was imposed during the World War, and I make that suggestion to the Senator from Utah [Mr. SMOOT]. I think the suggestion is enforced by the consideration that such articles as furs and jewelry have by the committee been eliminated from the bill. I do not understand the process by which the committee reached the conclusion that this particular commodity should carry a tax higher than that which was imposed during the World War.

Mr. SMOOT. In 1918 the rate was 3 per cent, and the committee went back to the rate of 1918 and struck out 5 per cent provided by the other House, as we had not adopted any rate higher than that of the 1918 law as to any of the other items.

Mr. ROBINSON of Arkansas. My information is that this rate is higher than the rate that was imposed during the war.

Mr. SMOOT. The history of the matter is this: In 1917 when we first imposed the tax the rate was 2 per cent; then, in 1918, when, as the Senator will remember, we amended the act of 1917, we put a tax of 3 per cent on chewing gum.

Mr. ROBINSON of Arkansas. Yes. In view of the eliminations that have been made, to which I have referred, I am going to suggest to the chairman of the committee that we impose the war rate of 2 per cent.

Mr. SMOOT. Mr. President, I have no objection to that amendment to the committee amendment, and will let it go to conference.

The VICE PRESIDENT. Without objection——

Mr. BYRNES. Mr. President, would it be in order to move to strike out section 604?

The VICE PRESIDENT. That motion would be in order after the committee amendment shall have been agreed to or perfected. The question is on agreeing to the amendment proposed by the Senator from Arkansas to the committee amendment.

The amendment to the amendment was agreed to.

Mr. BYRNES. Mr. President, I move to strike out section 604.

Mr. HARRISON. That has already been stricken out.

Mr. BYRNES. No; section 604 is the section in reference to chewing gum.

Mr. HARRISON. In the copy of the bill which I have that section stricken out is marked section 614. There must be two very different copies of the bill.

Mr. SMOOT. Section 604 is the section relative to chewing gum.

Mr. ROBINSON of Arkansas. Mr. President, I will say to the Senator from Mississippi that by the amendment which I proposed a moment ago to the committee amendment the proposed tax was reduced to 2 per cent, the committee amendment being 3 per cent. Now, the Senator from South Carolina [Mr. BYRNES] proposes to strike out the provision. I do not concur in that motion. I think that before the bill shall have been disposed of the Senate, in all probability, will find it necessary to restore the tax on such items as cosmetics, jewelry, furs, sporting goods, and so forth.

I have had some discussion upon this subject with some of the members of the Finance Committee, and it is my information that the committee was of the opinion that many of these items were in the nature of luxuries. I should like to have some explanation given for striking out a tax that would be easily borne. Take a tax on furs, for instance—how can there be justification for striking that out and then imposing heavier taxes on certain other commodities that are in no sense luxuries?

Mr. SMOOT. I can explain to the Senator why the action was taken in the case of furs. The committee tried to find some plan by which the tax could be collected on furs, but the only manner in which it could be done was to impose the tax in such a way that it would apply to every coat and every garment on which there was a piece of fur. That seemed absolutely impossible. The tax went out because of the difficulty of administration, and for no other reason.

Mr. LA FOLLETTE. Mr. President, will the Senator from Arkansas yield to me?

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

Mr. ROBINSON of Arkansas. I yield.

Mr. LA FOLLETTE. I can not quite agree with the Senator from Utah that this tax and others of a like nature mentioned by the Senator from Arkansas went out because the committee found they were unworkable.

Mr. SMOOT. I was only referring to furs.

Mr. LA FOLLETTE. The fact of the matter is, may I say to the Senator from Arkansas, that the committee worked for a good many days getting these taxes perfected, as we thought. They were all in the bill on Thursday night, but on Friday morning the Secretary of the Treasury came before the committee and proposed what he called a "compromise suggestion," which eliminated the taxes of luxuries of the nature the Senator has mentioned and provided for the tax on automobiles to the extent of the increase recommended by the committee, the tax on bank checks without a $5 exemption, and several other items.

The committee voted that morning to throw out all its work of a week or 10 days and accept the proposal made by the Secretary of the Treasury. May I say to the Senator that that was all done in about 30 minutes' time? There was not even a printed copy of his suggestions there; all he had was a small typewritten sheet that he read to us, and some of us read it after the action was taken.

Mr. ROBINSON of Arkansas. A memorandum furnished me by the Senator from Alabama [Mr. BANKHEAD] shows that under the rate imposed by the House bill the estimate of the revenue to be derived from a tax on furs was $20,000,000 and the estimated revenue to be derived from a tax on jewelry was $15,000,000. I should like the Senator from Utah to state to the Senate why the tax on jewelry was eliminated and why a tax on chewing gum was left in to bear the entire burden of the special tax imposed on so-called luxuries?

Mr. SMOOT. Mr. President, I wish the Senator from Massachusetts [Mr. WALSH] were present, because he called the attention of the committee to the fact that cheap jewelry, which constitutes the great bulk of jewelry in the United States, could not bear a tax of this kind. There was another Senator who took the same position—I have forgotten who it was.

Mr. COUZENS. It was the Senator from Rhode Island [Mr. METCALF].

Mr. ROBINSON of Arkansas. It would not be difficult to exempt cheap jewelry, but to exempt jewelry on the theory that it would be oppressive to tax it is to me absolutely incomprehensible, I do not care who attempts to justify it. Jewelry is ornamental; it never could be classified as anything other than a luxury in a civilized country; and yet the committee exempts it on the theory that it would be oppressive to the poor to tax jewelry. I think somebody who stands for this proposition will have to "come again," in classical language, and give a further explanation.

Mr. LA FOLLETTE. Mr. President——

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

Mr. LA FOLLETTE. Mr. President, if the Senator will permit me, the jewelry tax gives a very fine example of just what I mean by saying that the work of the committee was done and then undone within a few minutes. We worked a long time on the jewelry tax and there was a great deal of discussion in the committee about it. Finally we exempted cheap jewelry, such as is sold in 10-cent stores, and after persistent effort on the part of the Senator from Utah, over my protest, an exemption was made of solid silverware. Even so, however, after all that, the tax remaining would still have provided $12,000,000 of revenue. So, as a matter of fact, we had only lost $3,000,000, because, as the bill came from the House, it was estimated that the revenue to be derived from the tax would be $15,000,000 and not $20,000,000, as the Senator was informed. So by the action of the committee there was only a loss of $3,000,000. However, when the Secretary appeared on Friday morning in 30 minutes we threw the two days' work we had put in on the jewelry tax out of the window and threw the revenue out with it.

Mr. ROBINSON of Arkansas. May I ask the Senator from Utah or the Senator from Wisconsin whether the same statement applies substantially to cosmetics?

Mr. LA FOLLETTE. The tax on cosmetics went out along with taxes on other items, the elimination of which was recommended by the Secretary.

Cosmetics afford another example of the same situation. We had spent a long time in considering the tax on toilet preparations and cosmetics. May I say to the Senator that I spent many weary hours in the room of the Committee on Military Affairs listening to arguments pro and con regarding the tax on cosmetics? We finally cut out toothpaste and mouth washes and common ordinary soap.

Mr. ROBINSON of Arkansas. That was very sound policy.

Mr. LA FOLLETTE. It took two or three days to do it, and after we had fussed around with it we had lost $8,000,000, but still had $12,000,000 which would be derived from the tax on the finer cosmetics. Then the Secretary appeared, and in 15 minutes we throw all that work and all that revenue out of the window.

Mr. ROBINSON of Arkansas. I did not understand the statement as to the amount of revenue that would have been derived from the tax on cosmetics after the eliminations referred to by the Senator from Wisconsin had been made by the committee.

Mr. LA FOLLETTE. Twelve million dollars would have been derived from the tax which was left.

Mr. ROBINSON of Arkansas. The estimate under the House bill was $25,000,000, according to the memorandum.

Mr. LA FOLLETTE. No; that is not correct, may I say to the Senator. It was $20,000,000. So we lost $8,000,000 as a result of all of our work in trying to make this a fair tax, and trying to direct it, may I say to the Senator, if I

correctly interpret the intent of the committee, toward what might be termed luxuries as toilet preparations.

Mr. ROBINSON of Arkansas. I realize that both the Senator from Wisconsin and I are treading on very dangerous ground when we undertake to characterize a cosmetic as a luxury. [Laughter.]

Mr. LA FOLLETTE. But I think that was the intent of the committee; and that is why we took out the ordinary soaps and the tooth pastes and the mouth washes. That is, we did not want to put a tax on cleanliness or prophylaxis of the oral cavity, but we did propose to put a tax on what have always been considered luxuries so far as cosmetics are concerned. For some strange reason, however, in 30 minutes, under the lashing of the Secretary of the Treasury, this committee that had worked for two days on this tax, trying to get it in justifiable form, threw it out of the window, and decided to bear down heavily on two or three items that are in this so-called compromise bill.

Mr. ROBINSON of Arkansas. Of course, it would occasion some annoyance and some inconvenience to the consumers or users of cosmetics, excepting the articles to which the Senator from Wisconsin has referred as having been eliminated by the committee; but when it is considered that we are taxing almost everything, and imposing burdens on various forms of industry, it does seem to me that a tax of this character—a tax on jewelry and on cosmetics—is to be justified by every sound consideration, in spite of the fact that it may occasion some annoyance to the consumers of those commodities.

Mr. COPELAND. Mr. President——

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

Mr. ROBINSON of Arkansas. I do.

Mr. COPELAND. I should like to say to my friend from Arkansas that I can think of no greater disappointment than will result from the effort to collect $15,000,000 on jewelry. If there is any one thing that has been demolished and destroyed by the present economic conditions, it is the jewelry business; and it is perfectly apparent why—because jewelry is such a luxury that people simply are not buying.

Mr. ROBINSON of Arkansas. Mr. President, that is true of many of the taxes imposed in this bill. We are levying taxes under this bill on useful and necessary commodities, and the sales of those commodities in many instances have been reduced to a minimum. I still can not understand why it is not fair to impose some rate of tax on a commodity which is not useful, which is not necessary, which is purely ornamental.

Mr. BYRNES. Mr. President, in moving to strike out this section I am actuated by the same views expressed by the Senator from Arkansas.

Looking at the page upon which the section appears, I find that the committee has stricken from the bill the tax upon polo mallets, upon golf bags, upon footballs, golf, lacrosse, fishing rods and reels, the tax upon grape concentrates, the tax upon cameras, the tax on candy, the tax on soft drinks, the tax upon everything except chewing gum, knowing that when it is levied the manufacturer may pinch a small piece of chewing gum from the package that the children of America buy.

The man who plays golf is safe. The man who plays polo will have no tax upon the polo mallets. The fisherman will have no tax upon his fishing rod and reel. Jewelry and furs are eliminated; and after due consideration a tax is levied upon chewing gum, that the children of America may receive a smaller piece of gum for the money they pay!

It seems to me that the revenue that is levied is inconsequential in considering the injustice of discriminating in that way against one item.

The statement that the Senator from Arkansas had shows that the revenue from cosmetics is $25,000,000. We strike that out. From jewelry the revenue is $15,000,000.

Mr. COUZENS. Mr. President, I think the Senator wants to be correct; and if he will look at the report of the committee he will find that the estimates the Senator is reading from are wrong.

Mr. BYRNES. The estimates handed to me, as I understand, are the estimates of the House. Whether or not they are correct I do not know.

Mr. ROBINSON of Arkansas. Yes; that is the information I have. I have not had an opportunity of verifying them.

Mr. COUZENS. This is the report on the House bill.

Mr. BYRNES. All right; give me that.

Toilet preparations, $15,000,000.

Mr. WALSH of Montana. Mr. President——

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

Mr. BYRNES. I do.

Mr. WALSH of Montana. I have the impression, which is quite general, that the production of chewing gum is in the hands of a monopoly in this country.

Mr. ROBINSON of Arkansas. Oh, no!

Mr. WALSH of Montana. Let us have the information on that subject. How widely are the manufacturers of chewing gum distributed? I understood that the Wrigley people practically had a monopoly of the production of that material.

Mr. BYRNES. I must say that I have no information as to whether or not they have a monopoly in the manufacture of chewing gum; but I do know that inevitably the result of levying this tax is that the purchaser is to have taken from the package of gum just so much gum.

Mr. ROBINSON of Arkansas. Mr. President, will the Senator yield?

Mr. BYRNES. I yield.

Mr. ROBINSON of Arkansas. While I do not think the larger manufacturers of chewing gum have the slightest objection to the proposed tax, there are a number of small manufacturers who will be put out of business if the original tax in the bill is to be imposed, but they can survive under the tax the Senate committee has agreed to.

Mr. WALSH of Montana. Mr. President, will the Senator advise us what per cent of the total amount is produced by these small manufacturers?

Mr. ROBINSON of Arkansas. No; I can not give that.

Mr. HARRISON. Mr. President, my information is that about 60 per cent is controlled by one concern.

Mr. SMOOT. The revenue is $2,000,000, and I will say to the Senate that I received a telegram to-day from Mr. Wrigley opposing the tax on chewing gum.

Mr. BYRNES. I have no information as to the correspondence between Mr. Wrigley and the Senator from Utah, but will the Senator tell us——

Mr. SMOOT. The telegram came to-day, Mr. President.

Mr. BYRNES. I did not ask about the telegram. I am not particularly interested in it. What I want to know from the Senator from Utah is why he would strike out of this bill $15,000,000 of revenue from toilet preparations, $15,000,000 of revenue from furs, $12,000,000 of revenue from candy, millions of dollars from jewelry, $500,000 from yachts and motor boats, $6,500,000 from sporting goods and cameras, and then take chewing gum as the only item to be left in the bill, having a revenue, according to this report, of $3,000,000, and I understand the Senator says $2,000,000.

Mr. SMOOT. Mr. President——

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

Mr. BYRNES. I do.

Mr. SMOOT. After the committee agreed to the plan submitted by the Treasury Department, there was a certain amount of money over and above that which it was originally estimated that we should raise. After that consideration the recommendation of the Treasury Department was agreed to. Then the amount of money that would be raised by the bill was found to be more than that which we anticipated raising when the bill was first written. Therefore the committee returned to the bill and took out these items that are stricken out, on account of its being unnecessary to put them in the bill in order to raise the requisite amount of money.

Mr. BYRNES. I understand the Senator from Utah to say that after the committee learned that the revenue bill as finally agreed to, after the conference with the Secretary of the Treasury, would raise more money than was anticipated, they went back to the bill——

Mr. SMOOT. With these items in.

Mr. BYRNES. Yes; with these items in—they went back to strike them out, and they struck out yachts and furs and jewelry and candy and golf balls and polo mallets and left the tax upon chewing gum.

Mr. SMOOT. That is true.

Mr. BYRNES. Then, Mr. President, I urge my motion to strike out the tax upon chewing gum, section 604.

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

Mr. BYRNES. Yes; I yield.

Mr. LA FOLLETTE. I merely want the RECORD to be as I understand, Mr. President.

I think the statement of the Senator from Utah leaves the impression that we did not realize that we were eliminating all these taxes when we adopted the compromise proposal of the Secretary. One of the arguments made by those who supported that motion was that that would get rid of all of these so-called luxury taxes. That, I may say, was one of the reasons why I could not vote to support the so-called compromise proposal.

Mr. GLASS. Mr. President——

Mr. BYRNES. I yield again to the Senator from Wisconsin to tell us whether the tax upon grape concentrates was eliminated from the bill, too.

Mr. LA FOLLETTE. No; I understand that that is still in the bill. As to the other taxes to which we have been referring in the colloquy here recently, it was understood by every member of the committee present when he voted for the Secretary's proposal on a typewritten slip, and swallowed it en bloc with one gulp, that these taxes were all going out, including, of course, the amendment containing the 1922 income-tax rates.

Mr. GLASS. Mr. President——

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

Mr. BYRNES. I yield the floor.

Mr. GLASS. Mr. President, some of us here are literally astonished at the statement that we are going to derive more revenue from this bill than we have any use for. My information is that even after we complete this tax bill—if we ever do—we shall have to go to work and drastically reduce the expenditures of government in order to balance the Budget.

If that is true, why strike out the taxes on furs and jewelry and pleasure boats and things of that sort? It seems to me we had better restore those than to strike out the tax on chewing gum.

Mr. SMOOT. Mr. President, this is the estimate that was before the committee at the time. We had an estimate as the bill was written, as stated by the Senator from Wisconsin, and we had provided in the bill the amount of tax necessary to meet that deficit as furnished the committee by the Treasury Department. When the new plan came up and the additional taxes were recommended by the Secretary of the Treasury, Mr. Mills, we adopted those; after doing that we took off the taxes that we thought not necessary here to meet the expenses of the Government and balance the Budget. That is why they went out.

Mr. GLASS. I understand that detail; but I am astonished to learn that the deficit has been met by this tax bill.

Mr. SMOOT. I have already said, Mr. President, that, in my opinion, even with all the taxes imposed in the bill, we shall still have a deficit. How much it will be, I can not say; but, based upon the estimates made by the Treasury Department and based upon the revenue that will be derived, this will balance the Budget as far as the amount that was to be raised by the bill is concerned.

Mr. GLASS. The Senator from Utah may believe that; no doubt he does believe it, but I do not.

Mr. SMOOT. I am fearful myself, Mr. President, that we shall not have any too much revenue.

Mr. GLASS. Mr. President, we ought not to go to the country allowing them to believe that we have balanced the Budget and then come back here next winter and find that we have not come within a thousand miles of balancing the Budget.

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

Mr. GLASS. Yes; I yield.

Mr. LA FOLLETTE. I merely wish to say that the Senator from Virginia is absolutely correct. All the bills that were under consideration—the bill as it passed the House when we first got it, what I claim was the Senate committee bill after we had finished two weeks of work on it, and Mr. Mills's bill, which was produced in about 30 minutes before the committee—allow for two hundred to two hundred and fifty million dollars of economies in arriving at the statement that they will get the Budget balanced on paper.

Mr. ROBINSON of Arkansas. Mr. President, the sporting man is a good fellow. He who engages in that wonderful amusement or diversion, about which everybody boasts and in which so few are efficient, the golfer, would not object to paying a tax. The sporting man would not object to paying a tax under present conditions.

I think it is the strangest policy I ever contemplated to eliminate $4,500,000 of revenue from a source like that embraced in section 609 of the House text, providing for a tax on sporting goods, and then resort to some of the levies which are carried in this bill.

If the committee amendment striking out that tax has been agreed to, the vote ought to be reconsidered, and the provision should be kept in the bill.

There would not be a man in the United States who was a true sportsman who would think that he and his game—his boat, his polo mallet, his tennis racket—ought to be exempted from taxes, while other taxes which are in this bill which embarrass industry and impose burdens on poor people are retained.

Mr. HARRISON. Mr. President, there can be no doubt but that we are going to have to recur to these propositions, and some of us, foreseeing that, have entered motions to reconsider the votes by which the various items were agreed to. Already we have lost $16,000,000 from the bill as the result of the vote on the two amendments that were adopted relative to trucks and automobiles.

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

Mr. HARRISON. I yield.

Mr. NORRIS. I want to suggest to the Senator from Mississippi that on section 609, providing for a tax on sporting goods, pool tables, billiard tables, and so forth, there was no discussion, and the amendment was agreed to when nobody was paying any attention to it. I suggest to the Senator from Mississippi that he ask unanimous consent now that the vote by which that amendment was agreed to be reconsidered.

Mr. HARRISON. Mr. President, the reason why we do not do that now is the reason stated by the Senator from Wisconsin. We have gone over these various items and there are certain minor changes made in them.

If we are to adopt these amendments—and I think without question we must do so—we ought to adopt the language agreed on as an outcome of consideration by the Finance Committee of the House provisions. There are mostly minor changes, but some of them might be quite material. I think we might as well adopt the provision that was agreed on by the Finance Committee dealing with sporting goods, for instance.

Mr. NORRIS. In order to do that the Senator would have to have the vote reconsidered by which the amendment was agreed to.

Mr. HARRISON. That is right; and we have already entered a motion to reconsider the vote.

Mr. NORRIS. I was wondering why we could not consider it by unanimous consent right now.

Mr. HARRISON. Some of us have thought that we should find out just what is needed. For instance, we shall soon come to the item of admissions. We all realize there has been great propaganda about that. There is a great group of lobbyists about admissions, and we shall have perhaps to raise the tax to 25 per cent. It will cause a loss of thirty-five or forty million dollars even at that, and that will wipe out nearly all of the revenue that would be raised under these provisions, because of provisions stricken out of the House text aggregating $105,000,000. As amended by the Senate those same provisions would total only seventy and one-half million dollars.

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

Mr. HARRISON. I yield.

Mr. NORRIS. As I understand it, what the Senate has before it now is only the House provision.

Mr. HARRISON. It is the House provision.

Mr. NORRIS. And the committee made certain changes in that which do not appear here in the bill. In order to agree to those, we would have first to reconsider the vote by which this amendment was adopted.

Mr. SMOOT. I do not think there will be any trouble about that.

Mr. HARRISON. I would say that, so far as I am concerned, I hope we can recur to each one of these items.

Mr. NORRIS. We must recur to them.

Mr. HARRISON. And adopt the amendments which the Senate committee, after consideration, recommended.

Mr. NORRIS. That is what I would like to get. That is not before us now. We do not know just what it is.

Mr. BYRNES. Mr. President, will the Senator from Mississippi yield?

Mr. HARRISON. I yield.

Mr. BYRNES. I want to ask whether the Senator would have any objection to placing section 604 on the same basis with the other sections referred to?

Mr. HARRISON. I do not think anybody would have any objection.

Mr. BYRNES. If the committee, after consideration by the Senate, shall deem it necessary to reconsider and restore the tax upon polo mallets, fishing rods, and things of that kind, very well; but to leave this one section out of all these excise taxes, I submit, is unfair.

Mr. HARRISON. I think it is fair to leave it on the same basis.

Mr. BYRNES. I insist on my motion to strike out that section, so that they will all be on the same basis.

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

Mr. BYRNES. Yes.

Mr. NORRIS. I hope the Senator will not insist on his motion to strike out. Then we would have that out, and if we afterwards put the others in we would be doing an injustice the other way. I do not want to vote on the Senator's motion to strike out until we settle the other question.

Mr. ROBINSON of Arkansas. Mr. President, I ask unanimous consent that the vote by which the committee amendment to section 609 was agreed to be reconsidered.

The VICE PRESIDENT. Is there objection?

Mr. WHEELER. Why does not the Senator include also section 610?

Mr. ROBINSON of Arkansas. I am going to make a separate request as to that.

The VICE PRESIDENT. Is there objection to the request of the Senator from Arkansas? The Chair hears none, and the vote is reconsidered.

Mr. ROBINSON of Arkansas. I make a similar request with respect to the committee amendment to section 610.

Mr. SMOOT. That went over, anyhow.

The VICE PRESIDENT. That went over.

Mr. SMOOT. Mr. President, to settle this whole matter of these special items that were stricken out by the committee, I do not believe there would be any objection on the part of any member of the committee, if anybody asks at any time for a reconsideration of the vote, that that should be agreed to.

Mr. ROBINSON of Arkansas. Mr. President, I am going to ask that the vote by which the committee amendment to sections 602, 603, and 604, respectively, of the House text be reconsidered.

The VICE PRESIDENT. Is there objection?

Mr. VANDENBERG. Just a moment.

Mr. NORRIS. Why does not the Senator include section 606, at the top of page 250?

Mr. DILL. That was rejected, and the language remains in the bill.

Mr. ROBINSON of Arkansas. Section 602 provides for the tax on toilet preparations, section 603 for the tax on furs, section 604 for the tax on jewelry.

The VICE PRESIDENT. Is there objection to the request of the Senator from Arkansas?

Mr. HARRISON. Mr. President, I may say to the Senator that section 602 in my bill covers the tax on automobiles.

Mr. ROBINSON of Arkansas. I refer to the sections in the House text stricken out by the committee. My request is that the vote by which the committee amendment to the section imposing a tax on toilet preparations, to the further section imposing a tax on furs, and the section imposing a tax on jewelry be reconsidered.

The VICE PRESIDENT. Is there objection?

Mr. METCALF. I object.

Mr. LA FOLLETTE. Mr. President, I may say to the Senator from Arkansas that I think he will find that we have entered motions to reconsider the votes whereby all of these committee amendments striking out House language were agreed to. I think either the Senator from Mississippi or myself has entered such motions. So that we are in a position to move for reconsideration.

Mr. ROBINSON of Arkansas. I understand that.

Mr. SMOOT. I do not understand that consent was given.

Mr. LA FOLLETTE. No consent was given to enter the motions. One does not have to have consent for that.

Mr. SMOOT. Certainly the Senator does not; but I understood him to say there had been consent.

Mr. ROBINSON of Arkansas. I move that the vote by which the committee amendment relating to toilet preparations was agreed to be reconsidered.

The VICE PRESIDENT. The question is on agreeing to the motion.

The motion was agreed to.

Mr. ROBINSON of Arkansas. Mr. President, I make the same motion with respect to the vote by which the committee amendment relating to the tax on furs was agreed to.

The VICE PRESIDENT. The question is on agreeing to the motion.

The motion was agreed to.

Mr. ROBINSON of Arkansas. I also make the same motion with respect to the vote by which the committee amendment relating to the tax on jewelry was agreed to.

The VICE PRESIDENT. The question is on agreeing to the motion.

The motion was agreed to.

The VICE PRESIDENT. The question before the Senate now is on agreeing to the committee amendment as amended by the amendment of the Senator from Arkansas. After that is acted upon, then the motion of the Senator from South Carolina will be submitted.

Mr. ROBINSON of Arkansas. That is with reference to chewing gum?

The VICE PRESIDENT. That is with reference to chewing gum.

Mr. NORRIS. I want to make a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state his inquiry.

Mr. NORRIS. What is the question the Chair has just submitted?

The VICE PRESIDENT. The question is on agreeing to the amendment of the committee, on page 253, line 14, re-

lating to chewing gum, as amended by the Senator from Arkansas.

The amendment as amended was agreed to.

The VICE PRESIDENT. The question now is on the motion of the Senator from South Carolina [Mr. BYRNES] to strike out section 604, as amended.

Mr. HARRISON. Mr. President, I understood that the Senator from South Carolina merely wanted the provision with reference to chewing gum put in the same position as that occupied by jewelry and these other articles.

Mr. BYRNES. What I stated to the Senator from Mississippi was that if the items relating to the taxes on jewelry, furs, and sporting goods were passed over for the time being I was entirely willing to have that done.

My motion now is to strike this section out.

The VICE PRESIDENT. The question is on the motion of the Senator from South Carolina.

Mr. HARRISON. May I say to the Senator from South Carolina that if that motion is carried, this item with reference to chewing gum will be stricken out, and it will then be in the same category with the other items. We will then have to move to reconsider, if we are to get any revenue upon all of these propositions. Would not the Senator permit this to go over, just as these other propositions are going over, because some committee amendments are to be offered as substitutes for these various paragraphs?

Mr. BYRNES. Mr. President, if the understanding of the Senator from Mississippi is that this section is on the same footing with the other sections referred to by the Senator from Arkansas, and there is no dissent from that understanding, I will have no objection to its going over.

The VICE PRESIDENT. Without objection, the motion will be passed over.

The clerk will report the next amendment of the committee.

Mr. BRATTON. Mr. President, what is the status of the committee amendment, beginning at the top of page 252, relating to the tax on sporting goods?

The VICE PRESIDENT. The vote by which that amendment was agreed to has been reconsidered, and the matter has gone over.

Mr. BRATTON. Did that amendment go over and does it now occupy the same status as the three amendments to which the Senator from Arkansas addressed himself?

The VICE PRESIDENT. That is one amendment that is included in his request. The clerk will state the next amendment.

The next amendment of the Committee on Finance was, on page 253, after line 18, to strike out:

SECTION 615. TAX ON SOFT DRINKS

(a) There is hereby imposed—

(1) Upon all beverages derived wholly or in part from cereals or substitutes therefor, containing less than one-half of 1 per cent of alcohol by volume, sold by the manufacturer, producer, or importer, a tax of 2 cents per gallon.

Mr. LA FOLLETTE. Mr. President, I ask unanimous consent that the amendment may go over.

The VICE PRESIDENT. Is there objection? The Chair hears none, and the amendment will be passed over.

The next amendment of the Committee on Finance was, on page 254, to strike out lines 1 to 24, inclusive, as follows:

(2) Upon all unfermented fruit juices, in natural or slightly concentrated form, or such fruit juices to which sugar has been added (as distinguished from finished or fountain sirups), intended for consumption as beverages with the addition of water or water and sugar, and upon all imitations of any such fruit juices, and upon all carbonated beverages, commonly known as soft drinks (except those described in paragraph (1)), manufactured, compounded, or mixed by the use of concentrate, essence, or extract, instead of a finished or fountain sirup, sold by the manufacturer, producer, or importer, a tax of 2 cents per gallon.

(3) Upon all still drinks, containing less than one-half of 1 per cent of alcohol by volume, intended for consumption as beverages in the form in which sold (except natural or artificial mineral and table waters and imitations thereof, and pure apple cider), sold by the manufacturer, producer, or importer, a tax of 2 cents per gallon.

(4) Upon all natural or artificial mineral waters or table waters, whether carbonated or not, and all imitations thereof, sold by the producer, bottler, or importer thereof, in bottles or other closed containers, at over 12½ cents per gallon, a tax of 2 cents per gallon.

The VICE PRESIDENT. That relates to soft drinks and will be passed over.

The next amendment of the Committee on Finance was, on page 255, to strike out lines 1 to 24, inclusive, as follows:

(5) Upon all finished or fountain sirups of the kinds used in manufacturing, compounding, or mixing drinks commonly known as soft drinks, sold by the manufacturer, producer, or importer, a tax of 9 cents per gallon; except that in the case of any such sirups intended to be used in the manufacture of carbonated beverages sold in bottles or other closed containers the rate shall be 5 cents per gallon. Where any person conducting a soda fountain, ice-cream parlor, or other similar place of business manufactures any sirups of the kinds described in this paragraph, there shall be levied, assessed, collected, and paid on each gallon manufactured and used in the preparation of soft drinks a tax of 9 cents per gallon; and where any person manufacturing carbonated beverages manufactures and uses any such sirups in the manufacture of carbonated beverages sold in bottles or other closed containers there shall be levied, assessed, collected, and paid on each gallon of such sirups a tax of 5 cents per gallon. The taxes imposed by this paragraph shall not apply to finished or fountain sirups sold for use in the manufacture of a beverage subject to tax under paragraph (1) or (3), nor to any article enumerated in section 601 (c) (3).

Mr. NORRIS. Mr. President, why does not that go over with the other amendments?

The VICE PRESIDENT. If it is requested, the amendment will be passed over.

Mr. NORRIS. I make the request.

The VICE PRESIDENT. Without objection, the amendment will be passed over.

The next amendment of the Committee on Finance was, on page 256, to strike out lines 1 to 24, inclusive, and lines 1 to 11, on page 257, as follows:

(6) Upon all carbonic-acid gas sold by the manufacturer, producer, or importer, or by a dealer in such gas, to a manufacturer of any carbonated beverages, or to any person conducting a soda fountain, ice-cream parlor, or other similar place of business, and upon all carbonic-acid gas used by the manufacturer, producer, or importer thereof in the preparation of soft drinks, a tax of 4 cents per pound.

(b) Each manufacturer, producer, or importer of any of the articles enumerated in subsection (a) and each person who sells carbonic-acid gas to a manufacturer of carbonated beverages or to a person conducting a soda fountain, ice-cream parlor, or other similar place of business, shall make monthly returns under oath in duplicate and pay the tax imposed in respect of the articles enumerated in subsection (a) to the collector for the district in which is located his principal place of business, or, if he has no principal place of business in the United States, then to the collector at Baltimore, Md. Such returns shall contain such information and be made at such times and in such manner as the commissioner, with the approval of the Secretary, may by regulations prescribe. The tax shall, without assessment by the commissioner or notice from the collector, be due and payable to the collector at the time so fixed for filing the return. If the tax is not paid when due, there shall be added as part of the tax interest at the rate of 1 per cent a month from the time the tax became due until paid.

(c) Each person required to pay any tax imposed by subsection (a) shall procure and keep posted a certificate of registry in accordance with regulations to be prescribed by the commissioner, with the approval of the Secretary. Any person who fails to register or keep posted any certificate of registry in accordance with such regulations shall be subject to a penalty of not more than $1,000 for each such offense.

Mr. LA FOLLETTE. Mr. President, if these other matters are going over this should go over, too.

Mr. HARRISON. Mr. President, why do we not pass these various items over to-night if the chairman of the Finance Committee is going to call the committee together at 6.50 in the morning or some other early hour, so we can recommend these various substitutes? I am sure the Finance Committee has no objection if we can balance the Budget through this plan. We adopted this amendment in the first place.

The VICE PRESIDENT. Is there objection to passing over the amendments? The Chair hears none, and the amendments will be passed over.

The next amendment of the Committee on Finance was, on page 257, after line 14, to strike out:

SEC. 617. RETAIL SALES

If any manufacturer, producer, or importer liable under this title for tax based on the price for which any articles are sold by him customarily sells such articles both at wholesale and at retail, the tax in the case of any article sold by him at retail shall be computed on the price for which like articles are sold by him at wholesale.

Mr. LA FOLLETTE. If these other amendments are going over, should not this amendment go over, too?

The VICE PRESIDENT. Is there objection to passing it over? The Chair hears no objection, and the amendment goes over.

Mr. HARRISON. Mr. President, I want to suggest to the chairman of the committee that the next amendment go over, because it pertains to the soft-drinks paragraph; and if the other one went over, this should go over as well. I refer to section 612, on page 262. That which is stricken out pertains to soft drinks.

Mr. SMOOT. Yes; it should go over.

The VICE PRESIDENT. Is there objection? The Chair hears none, and the amendment will be passed over.

Mr. TRAMMELL. Mr. President, I notice on page 262, in the print I presume being used by the clerk, there are certain amendments recommended in section 611. Those were not acted on or considered, were they?

Mr. SMOOT. We have not reached that yet.

Mr. TRAMMELL. That is section 611, which has to do with contracts of sales made prior to May 1.

Mr. SMOOT. That has gone over.

Mr. TRAMMELL. That is what I was especially interested in considering.

The VICE PRESIDENT. The clerk will report the next amendment.

Mr. SMOOT. Mr. President, who was it asked that the amendment relating to contracts made prior to May 1 should go over? Did I understand the Senator from Florida to ask that section 611 go over?

Mr. TRAMMELL. I was suggesting it should be allowed to go over, unless it is desired to discuss it now. I think the object the committee seeks to accomplish is all right, probably.

Mr. SMOOT. We might as well discuss it now, if the Senator desires to do so.

The VICE PRESIDENT. Let the amendment be stated.

The next amendment of the Committee on Finance was, on page 262, line 3, after "Sec.," to strike out "619" and insert "611"; in the same line, after the word "to," to strike out "March" and insert "May"; in line 4, after the word "to," to strike out "March" and insert "May"; and in line 11, after the word "then," to insert "(unless the contract prohibits such addition)," so as to read:

SEC. 611. CONTRACTS PRIOR TO MAY 1, 1932

(a) If (1) any person has, prior to May 1, 1932, made a bona fide contract with another person for the sale, after the tax takes effect, of any article in respect of the sale of which a tax is imposed under this title, or in respect of which a tax is imposed under this subsection, and (2) such contract does not permit the adding to the amount to be paid under such contract, of the whole of such tax, then (unless the contract prohibits such addition) the vendee shall, in lieu of the vendor, pay so much of the tax as is not so permitted to be added to the contract price.

Mr. TRAMMELL. Mr. President, the amendment in its present form would operate very unjustly against a great many people. The provision provides that any person who, prior to May 1, 1932, has made a contract with some one for sale shall be subjected to this tax. In the first place, it is retroactive. It is applying a tax to a person on a transaction which took place prior to the enactment of the law. There may be a good many contracts under the installment system which prevails in this country for the purchase of property, some of which have been made one or two or three years ago. Under those circumstances this would impose a tax upon the purchaser, the vendee, unless the vendor was subject to it, regardless of the fact that it was made prior to the enactment of the law or the imposition of the tax.

I presume the purpose of this provision was to try to anticipate and to check or bar any operations or accumulations on the part of any traders in anticipation of the tax. It may be all right to seek to accomplish that purpose, but the peculiar language and phraseology provided in this section would affect every honest transaction that has been made at any time previous for the consummation of a sale at a future date. It reads:

All sales contracts made prior to May 1, 1932.

If the vendor does not pay the tax, and May 1 is already past—then the vendee has to pay the tax at the time of the consummation of the sale. Is that correct?

Mr. SMOOT. It is partially correct. I would like to know what amendment or modification the Senator would like to suggest, and then I can see just what the Senator is driving at.

Mr. TRAMMELL. Of course, I have not given any study to this. It came to my mind probably 10 or 15 minutes ago as I was reading the bill. It occurred to me at that moment that it was subject to the comment which I have made. I desire to have it clarified so as to have it inflict no injustice upon entirely innocent people.

Mr. KING. Mr. President——

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

Mr. TRAMMELL. I yield.

Mr. KING. I think there is something in the contention made by the able Senator from Florida. The bill is retroactive and would affect contracts that have been entered into anterior to the passage of the bill. If we can, before final action, strike out "May 1, 1932," and insert in lieu thereof the words "after the passage of this act," I think it would meet the objection of the Senator from Florida. I suggest that we pass the amendment over and let the committee consider it.

Mr. TRAMMELL. That will be agreeable to me. All I wish is to have it clarified.

Mr. SMOOT. If the Senator wants it to go over, that is very well; but it seems to me it is perfectly plain what we desire to do. I think the wording as reported covers exactly the object the Senator now states he desires to reach. I do not think the Senator has any different idea with reference to the object of the amendment than the committee have. Of course, it can go over.

The VICE PRESIDENT. Without objection, the amendment will be passed over.

Mr. JOHNSON. Mr. President, we are in such a situation at the present time, with the reconsiderations that have been had, with the desire undoubtedly on the part of some of the members of the Finance Committee to meet early in the morning and consider those items that have been eliminated from the bill heretofore, but to-night practically have been restored, that I want to suggest to the Senator from Utah that we will make progress by taking a recess now until to-morrow morning.

Mr. SMOOT. There is very little left in the bill.

Mr. JOHNSON. Oh, no; we are coming now to the admission tax and the telegraph tax, and they will be somewhat dependent upon what the Finance Committee does with jewelry, sporting goods, and the like in its determination to be reached, as I understood the Senator, to-morrow morning probably.

Mr. SMOOT. Mr. President, I would like to give notice to members of the Finance Committee now, because I can not get notice to them by mail, that the committee will meet to-morrow morning at not later than 8.30 o'clock. We have plenty to do.

Mr. BARKLEY. Why not have a session of the committee as soon as we recess to-night?

Mr. SMOOT. I am perfectly willing.

Mr. BARKLEY. I make that suggestion seriously.

Mr. SMOOT. I am perfectly willing to have a meeting as soon as we recess to-night. The Senate is to meet to-morrow morning at 10 o'clock; and if the committee are to do anything at all with these items, that will give us only an hour and a half in the morning if the committee meets at half past 8.

Mr. HARRISON. Mr. President, I think we might as well take a recess to-night if we have to get up early in the morning to work on this measure. I believe the Committee on Finance ought to meet in the morning and work out these various items in the hope that it will expedite matters.

Mr. SMOOT. Is the Senator willing to have the committee meet at 8.30?

Mr. KING. Mr. President, will the Senator consider this suggestion, in view of the vast amount of work the committee will have to do? The Senate ought not to meet at 10 o'clock in the morning, but at 11 o'clock, so as to give us an hour and a half or two hours to-morrow morning for the consideration of these matters in the committee. I suggest to my colleague that he ask unanimous consent that the unanimous-consent agreement heretofore entered into by which the Senate agreed to meet at 10 o'clock be modified or changed so that the Senate will not meet to-morrow until 11 o'clock, and thus give the committee ample time for consideration of these various matters.

Mr. SMOOT. I do not see why we can not get up early and get to work at 8.30. I see no reason why we can not do that.

The VICE PRESIDENT. The Secretary will report the next amendment.

Mr. JOHNSON. Mr. President, I made a suggestion to the Senator from Utah, which I think fell upon sympathetic ears, that he make a motion to take a recess.

Mr. SMOOT. I move the Senate take a recess until 10 o'clock to-morrow morning.

Mr. HARRISON. One moment, Mr. President. May I ask the Senator from Utah what time the Finance Committee will meet to-morrow?

Mr. SMOOT. At 8.30 a. m.

Mr. HARRISON. Eight thirty a. m. is almost out of the question. Why not make it 9 o'clock? The Senator has not gotten up at 8.30 in a good while. I suggest the Senator make it 9 o'clock.

Mr. SMOOT. If I did not have a part of my work done by 8.30 o'clock in the morning, I would never get through.

The VICE PRESIDENT. The question is on the motion of the Senator from Utah that the Senate take a recess until 10 o'clock to-morrow morning.

The motion was agreed to; and (at 9 o'clock and 15 minutes p. m.) the Senate took a recess, the recess being under the order previously entered, until to-morrow, Thursday, May 26, 1932, at 10 o'clock a. m.

NOMINATION

Executive nomination received by the Senate May 25 (legislative day of May 9), 1932

COAST GUARD

Capt. Harry G. Hamlet, of Washington, to be Commandant, with the rank of rear admiral, in the Coast Guard of the United States, for a term of four years, in place of Rear Admiral Frederick C. Billard, deceased.

HOUSE OF REPRESENTATIVES

WEDNESDAY, MAY 25, 1932

The House met at 12 o'clock noon.

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

Almighty God, unto whom all hearts are open, all desires known, and from whom no secrets are hid, cleanse the thoughts of our hearts by the inspiration of Thy holy spirit, that we may perfectly love Thee and worthily magnify Thy holy name. May the words of our lips and the meditations of our hearts be acceptable in Thy sight, O Lord, our strength and our Redeemer. Amen.

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

The SPEAKER. Pursuant to the order agreed to on yesterday, the Chair declares the House to be in recess.

Accordingly the House stood in recess, to meet at the call of the Speaker.

ORDER OF EXERCISES

Prelude, sacred selections (11.30–12)----U. S. Navy Band Orchestra
Presiding Officer----The Speaker of the House of Representatives
Invocation----The Chaplain, Dr. James Shera Montgomery
String quartette—Andante Cantabile (Tschaikowsky)—
U. S. Navy Band Orchestra
Scripture reading and prayer----The Chaplain
Roll of Deceased Members—
The Clerk of the House of Representatives
Devotional silence.
Tenor solo—There Is No Death (O'Hara)----Ross Farrar
Robt. L. Feuerstein, accompanist
Address----Hon. SCOTT LEAVITT
Representative from the State of Montana
Baritone solo—Farewell (Russell)----Leonard Davis
Robt. L. Feuerstein, accompanist
Address----Hon. WILLIAM B. BANKHEAD
Representative from the State of Alabama
Cornet solo—Abide With Me----John Walker
U. S. Navy Band Orchestra
Benediction----The Chaplain

MEMORIAL SERVICES

The Speaker of the House of Representatives presided.

The string quartette of the United States Navy Band Orchestra rendered "Andante Cantabile," by Tschaikowsky.

The Chaplain, Doctor Montgomery:

Almighty God, separated from the toils of the day, may this hour be a dedication. Make Thy Holy Spirit a minister and a messenger of love and faith. Our hearts are one; they express the sorrow of our fellow countrymen. Do Thou remember those, Blessed Lord, who are in the valley of affliction. In its hush and silence may they catch the floating notes wafted from the highlands of the upper world. O be the melody for the dirge, the sweetness for the cup, and the strength for the weary. In our losses, hear us O most merciful Father. With us the joys and the fellowships of time have been swept away. The dreams of the past struggle for expression; but as they are inspired from the passing scenes of life, they can never be fulfilled. O God, we would share again the changeless love of the unforgotten days. In the ages to come, beyond the menace and the mystery of mortality, we shall meet again—unafraid, conscious that our souls are becoming vaster and holier in the presence of the infinite God of man. Through Jesus Christ our Lord. Amen.

Three fishers went sailing out into the west,
Out into the west as the sun went down;
Each thought of the woman who loved him the best;
And the children stood watching them out of the town;
For men must work and women must weep,
There's little to earn and many to keep,
Though the harbor bar be moaning.

Three wives sat up in the lighthouse tower,
And they trimmed their lamps as the sun went down;
They looked at the squall and they looked at the shower,
And the rack it came rolling up ragged and brown!
But men must work and women must weep,
Though storms be sudden and waters deep,
And the harbor bar be moaning.

Three corpses lay on the shining sands
In the morning gleam as the tide went down,
And the women are weeping and wringing their hands
For those who never came back to the town;
For men must work and women must weep,
And the sooner it's over, the sooner to sleep,
And good-bye to the bar and its moaning.

—

As I stand by the cross on the lone mountain's crest
Looking toward the ultimate sea,
In the gloom of the mountain, a ship lies at rest,
And one sails away from the lea.
One spreads its white sails on a far-reaching track,
With pennant and sheet flowing free.
One hides in the shadows with sails laid aback,
The ship that is waiting for me.
But, lo, in the distance the clouds break away;
The Gate's glowing portals I see;
And I hear from the outgoing ship in the bay
The song of the sailors in glee.
So I think of the luminous footsteps
That bore them o'er dark Galilee,
And I wait for the signal to go to the shore,
To the ship that is waiting for me.

Bless the Lord, O my soul; and all that is within me; bless His holy name. Bless the Lord, O my soul, and forget not all His benefits: Who forgiveth all thine iniquities; who healeth all thy diseases; who redeemeth thy life from destruction; who crowneth thee with loving kindness and tender mercies; who satisfieth thy mouth with good things so that thy youth is renewed like the eagles'. The Lord executeth righteousness and judgment for all that are oppressed. He made known His ways unto Moses, His acts unto the children of Israel. The Lord is merciful and gracious, slow to anger and plenteous in mercy. He will not always chide; neither will He keep His anger forever. He hath not dealt with us after our sins; nor rewarded us according to our iniquities. As the heaven is high above the earth, so great is His mercy toward them that fear Him. As far as the east is from the west, so far hath He removed our transgressions from us. Like as a father pitieth his children, so the Lord pitieth them that fear Him. For He knoweth our frame; He remembereth that we are dust. As for man his days are as grass; as a flower of the field so he flourisheth. For the wind passeth over it, and it is gone; and the place thereof shall know it no more. But the mercy of the Lord is from everlasting to everlasting upon them that fear him and His righteousness unto children's children. Bless the Lord, O my soul.

Let not your heart be troubled; believe in God; believe also in me. In my Father's house are many mansions; if it were not so, I would have told you; for I go to prepare a place for you. And if I go and prepare a place for you, I will come again, and receive you unto myself; that where I am there ye may be also.

ROLL OF DECEASED MEMBERS

Mr. Patrick J. Haltigan, reading clerk of the House, read the following roll:

DWIGHT WHITNEY MORROW, SENATOR FROM THE STATE OF NEW JERSEY

Diplomat; lawyer; ambassador to Mexico; delegate to the Pan American Conference, 1928; delegate to the naval conference, London, England, 1930; member of various State commissions; chairman President's Aircraft Board, 1925; awarded distinguished-service medal 1919 by General Pershing; elected a member of the United States Senate November 4, 1930. Died October 5, 1931.

THADDEUS H. CARAWAY, SENATOR FROM THE STATE OF ARKANSAS

Lawyer; prosecuting attorney for the second judicial district of Arkansas; Member of the House of Representatives, Sixty-third, Sixty-fourth, Sixty-fifth, and Sixty-sixth Congresses; twice elected to the United States Senate. Died November 6, 1931.

WILLIAM JULIUS HARRIS, SENATOR FROM THE STATE OF GEORGIA

Banker; member of State senate in 1911 and 1912; chairman Democratic State Committee in 1912 and 1913; Director of the United States Census Bureau; Acting Secretary of the Department of Commerce and Chairman of Federal Trade Commission; elected to the United States Senate for three terms. Died April 18, 1932.

HENRY ALLEN COOPER, REPRESENTATIVE FROM THE FIRST CONGRESSIONAL DISTRICT OF WISCONSIN

District attorney; State senator; delegate to the Republican National Convention, 1884, 1908, and 1924; Member House of Representatives Fifty-third and the 12 succeeding Congresses; also reelected to the Sixty-seventh and each succeeding Congress. Died March 1, 1931.

JAMES BENJAMIN ASWELL, REPRESENTATIVE FROM THE EIGHTH CONGRESSIONAL DISTRICT OF LOUISIANA

School-teacher; State institution conductor; president of the Louisiana Polytechnic Institute; State superintendent of education; president Louisiana State Normal College; Member of the Sixty-third and each succeeding Congress. Died March 16, 1931.

NICHOLAS LONGWORTH, REPRESENTATIVE FROM THE FIRST CONGRESSIONAL DISTRICT OF OHIO

Member of the board of education of Cincinnati; State Representative; State senator; Member of the Fifty-eighth, Fifty-ninth, Sixty-first, and Sixty-second Congresses and of the Sixty-fourth and each succeeding Congress; majority floor leader; three times elected Speaker of the House of Representatives. Died April 9, 1931.

MATTHEW VINCENT O'MALLEY, REPRESENTATIVE FROM THE SEVENTH CONGRESSIONAL DISTRICT OF NEW YORK

Business man; member Brooklyn Chamber of Commerce; Member of the Seventy-second Congress. Died May 26, 1931.

CHARLES ANTHONY MOONEY, REPRESENTATIVE FROM THE TWENTIETH CONGRESSIONAL DISTRICT OF OHIO

Insurance broker; member of the State senate; delegate to the Democratic National Convention in 1920 and 1924; Member of the Sixty-sixth, Sixty-eighth, Sixty-ninth, Seventieth, and Seventy-first Congresses. Died May 29, 1931.

GEORGE SCOTT GRAHAM, REPRESENTATIVE FROM THE SECOND CONGRESSIONAL DISTRICT OF PENNSYLVANIA

Lawyer; member of the City Council of Philadelphia; district attorney; professor of criminal law in the University of Pennsylvania; delegate to the Republican National Convention 1892 and 1924; Member of the Sixty-third and each succeeding Congress; chairman of the Committee on the Judiciary. Died July 4, 1931.

CHARLES GORDON EDWARDS, REPRESENTATIVE FROM THE FIRST CONGRESSIONAL DISTRICT OF GEORGIA

Farmer; lawyer; member State militia; president of the Savannah Board of Trade; member of the Savannah Harbor Commission; Member of the Sixtieth and the four succeeding Congresses; also Sixty-ninth and each succeeding Congress. Died July 13, 1931.

BIRD J. VINCENT, REPRESENTATIVE FROM THE EIGHTH CONGRESSIONAL DISTRICT OF MICHIGAN

Lawyer; assistant prosecuting attorney of Saginaw County; prosecuting attorney; served 10 months in France during World War as first lieutenant of the Sixth Train Headquarters and in the Three hundred and second Train Headquarters; city attorney of Saginaw; Member of the Sixty-eighth and each succeeding Congress. Died July 18, 1931.

SAMUEL COLLIER MAJOR, REPRESENTATIVE FROM THE SEVENTH CONGRESSIONAL DISTRICT OF MISSOURI

Lawyer; prosecuting attorney; State senator; Member of the Sixty-sixth, Sixty-eighth, Sixty-ninth, Seventieth, and Seventy-second Congresses. Died July 28, 1931.

ERNEST ROBINSON ACKERMAN, REPRESENTATIVE FROM THE FIFTH CONGRESSIONAL DISTRICT OF NEW JERSEY

Manufacturer; member of the Common Council of Plainfield; presidential elector; State senator; president of the State senate; delegate Republican National Convention in 1908 and 1916; member board of trustees of Rutgers College and the State board of education; Member of Sixty-sixth and each succeeding Congress. Died October 18, 1931.

FLETCHER HALE, REPRESENTATIVE FROM THE FIRST CONGRESSIONAL DISTRICT OF NEW HAMPSHIRE

City solicitor of Laconia; solicitor of Belknap County; lawyer; chairman board of education; delegate to State constitutional convention; State tax commissioner; Member Sixty-ninth and each succeeding Congress. Died October 22, 1931.

HARRY M'LEARY WURZBACH, REPRESENTATIVE FROM THE FOURTEENTH CONGRESSIONAL DISTRICT OF TEXAS

Recruited and served as private in Company F, First Regiment Texas Volunteer Infantry, Spanish-American War; lawyer; prosecuting attorney and judge of Guadalupe County; delegate at large from Texas to the Republican National Convention, 1924; Member of the Sixty-seventh and each succeeding Congress. Died November 6, 1931.

PERCY EDWARDS QUIN, REPRESENTATIVE FROM THE SEVENTH CONGRESSIONAL DISTRICT OF MISSISSIPPI

School-teacher; lawyer; delegate to Democratic State conventions, 1899 and 1912; member State house of representatives; Member of Sixty-third and each succeeding Congress. Died February 4, 1932.

SAMUEL RUTHERFORD, REPRESENTATIVE FROM THE SIXTH CONGRESSIONAL DISTRICT OF GEORGIA

Lawyer; three times mayor of Forsyth; solicitor of city court; member of State house of representatives three terms; State senator; Member of House of Representativs Sixty-ninth and each succeeding Congress. Died February 4, 1932.

ALBERT HENRY VESTAL, REPRESENTATIVE FROM THE EIGHTH CONGRESSIONAL DISTRICT OF INDIANA

School-teacher; prosecuting attorney of the fiftieth judicial circuit, 1900–1904; elected to Sixty-fifth and each succeeding Congress. Died April 1, 1932.

EDWARD M'MATH BEERS, REPRESENTATIVE FROM THE EIGHTEENTH CONGRESSIONAL DISTRICT OF PENNSYLVANIA

Bank director; delegate to the Republican State convention in 1898; mayor of Mount Union, Pa., 1910–1914; associate judge of Huntingdon County, 1914–1923; elected to Sixty-eighth and each succeeding Congress. Died April 21, 1932.

Mrs. WINGO, a Representative from the State of Arkansas, standing in front of the Speaker's rostrum, placed a memorial rose in a vase as the name of each deceased Member was read by the Clerk.

Then followed one minute of devotional silence.

Mr. Ross Farrar sang "There Is No Death."

Hon. SCOTT LEAVITT, a Representative from the State of Montana, delivered the following address:

ADDRESS OF HON. SCOTT LEAVITT, OF MONTANA

Mr. LEAVITT. Mr. Speaker, since that day, little more than a year ago, when on another occasion we met to pay affectionate tribute to colleagues of ours who had answered the roll call of eternity, 19 others have arisen from their labors among us and have gone out, never to return.

Just a moment ago we listened to the calling of their names. Silence, and after each the placing of a flower. Our ears yearned, loath to abandon hope, but no familiar voice responded. And yet was there, indeed, no answer? Was not that silence like the quiet of a starry night, when all the winds are hushed? Was not that silence like the stillness we have known alone in the vastness of the mountains or far out upon the soundless, breathing sea, when the all-pervading solitude has formed within our souls those revealing words, "Be still and know that I am God"?

It is in such silence that we find our faith arising like the sword of Arthur, out of the morass of our doubt and ready to our hand.

It is in such silence that we comprehend the revelation of our faith to be truly "the substance of things hoped for, the evidence of things not seen."

It is in such stillness that our trust is able to speak to us with a clear voice, and say surely, if a man die, yet shall he live again.

This memorial service, held in accordance with a reverent custom, falls in the midst of the bicentennial year especially set apart and dedicated in the hearts of the American people to the thought of George Washington. It is fitting then that we consider the lives and public work of our departed friends in that illumination.

They whose names we inscribe to-day in the Nation's pantheon form an illustrious company. Singly, in their diverse origins and in the varying degrees of struggle through which they attained the honor of here serving their people and their country, they exemplified all the finest traditions of America's equality of opportunity. Collectively, in their steadfast devotion to the common good, in their united purpose to serve the public welfare without fear and without reproach, they furnish a reassuring fulfillment of that prayer of hope expressed by Washington a century and a half ago, when the stalwart builders of the Republic who had labored by his side in laying the foundations and in beginning the superstructure, one by one laid down their working tools and went to their eternal rest, and he said:

> Thus some of the pillars of the Revolution fall. Others are mouldering by insensible degrees. May our country never want props to support the glorious fabric.

Truly, those we commemorate to-day, in the character of their public service and in the quality of their manhood, were of that never-ending, never-failing succession of props, upholding in glory and in security the destiny of the Republic.

Jefferson said of Washington:

> The whole of his character was in its mass perfect, in nothing bad, in a few things indifferent.

And we may in truth apply those words to these 19. It is not given to me to eulogize them individually. They stand together in the honor we would pay them, even as they mingled with us here. Joined thus are the veteran, who in many repeated elections received the acclaim and mandate of his people, and the neophyte, who stood but for a moment at the threshold and was gone. Joined with them all is he who, laying his gavel down forever, descended from the Speaker's dais to stand among the rest. All a goodly, devoted company, which we and the Nation could ill afford to lose when the way was in any wise obscure!

Out of that association, which is the rare privilege and the greatest recompense of our service here, we learn to mark the true stature of men. We come thus to realize almost universally that, when the white fire of truly national need blazes forth, the dross of sectionalism, of petty partisanship, of individual selfishness, is consumed, and pure gold is found in every character. In that pure gold we set the jewel of our remembrance.

Said Washington of the reputation of public men:

> The good opinion of honest men, friends of freedom, and well-wishers of mankind, wherever they may be born or happen to reside, is the only kind of reputation a wise man would ever desire.

Of the triumph of principle he said:

> In times of turbulence, when the passions are afloat, calm reason is swallowed up in the extremes to which measures are attempted to be carried; but when those subside, and its empire is resumed, the man who acts from principle, who pursues the path of truth, moderation, and justice, will regain his influence.

Regarding the placing of duty above popularity, his words were these:

> Though I prize as I ought the good opinion of my fellow citizens, yet, if I know myself, I would not seek to retain popularity at the expense of one social duty or moral virtue.

Of public duty in crisis times he said:

> The hour is certainly come when party disputes and dissensions should subside, when every man, especially those in office, should, with hand and heart, pull the same way and with their whole strength.

Measure by that yardstick of the immortal Washington the lives and public service of these colleagues of ours, who labored here to complete and preserve the structure of human society which he founded. Observe how that yardstick emphasizes their high stature. And while we have it in our hands, recalling that never were sound props more greatly needed to "uphold the glorious fabric," let us measure ourselves.

So we approach now the final thought. It is not only that we speak in eulogy of the honored dead. We thus offer the poor comfort of our sympathy to those who mourn in those intimate recesses of the heart into which even the sincerest friendship can not fully go. Always on such occasions the thought recurs and is repeated that words, though winged with all of human sympathy, falter and fail. But I like, in this hallowed, bicentennial year of Washington, to think of those who have ceased to labor here, in this building where he laid the corner stone, as being still of his devoted company in the eternal service of our country.

Reason—

Said Washington on an occasion of sorrow—

> Reason, religion, and philosophy teach us to submit; but it is time alone that can ameliorate the pangs of humanity and soften its woes.

And on the thought of time I come finally to a parable which has to do with the vital part which such lives and public service as we now honor must ever have in the welfare of our people. It is a parable which comes to my mind whenever I see youth in training for usefulness, and when I ponder the end of lives devoted to good works.

I stood alone in the presence of the oldest living thing on all the earth, a towering sequoia tree in the midst of the California mountains. It was evening, and the shadows were those of a cathedral. For that tree age was not reckoned by years, nor only by centuries. Thousands of yearly cycles had passed over it in sunshine and in storm. Since it had come into being, the pyramids had arisen out of vast dreams of glory and the toil of slaves, and become the sepultures of forgotten kings. Persia, Babylon, and Greece had known glory and decay. The eagles of Rome had screamed at the gates of Jerusalem, and the Son of Man had died there on the cross that all men might have eternal life. The epoch of Roman power had passed like a shadow over the wheat. The ancient had given way to the medieval. The medieval had merged into that more modern day when a bold, inspired adventurer breasted unknown oceans and found a new world in which that great tree, already grown immeasurably old, arose in silence and majesty, still hidden on a distant and undiscovered coast.

Yet the giant sequoia lived on, and in its later years the day came when it, symbol of eternity as it was, became embraced in the outstretched boundaries of the youngest of great nations, founded upon principles of justice and liberty even more eternal.

No other tree than the sequoia has more than a brief fraction of such a span of life. For ordinary trees a century or less brings the disintegration age. Their very sap comes to be the conveyer of disease. Fungus and rot attack them, and the winds lay them low. But overpassing them all, spanning the death of countless generations of lesser trees, that great sequoia has stood secure. Lightning could scar but never overthrow. Fire could but leave the mark of its passing, but not destroy.

So I sought the secret of its deathless age, and I recalled that in the place of such sap as flows in the veins of common trees the everlasting sequoia contains within itself an essence of such power that it is its own preservative.

It is so with our Republic. The wisdom of its founders; the justice of its institutions; the devotion of its people, young and old; the divinity of its purpose; and, not least of all, the service, the character, the guiding example of such public men as these 19 of hallowed memory—all these constitute that essence of preservation which, in the providence of God, shall forever flow in the living veins of our beloved country.

So we bid our colleagues who have gone on before us, farewell—in sorrow but with uplifted hearts. We mourn with their loved ones; and in bereavement we recall that, while all men must meet death somewhere on the way, these our colleagues were privileged to meet it on the open road, in the day of their service, with their honors full upon them. Generous, true friends every one, and very gallant gentlemen, who at the last were able to join voices with that other valiant spirit who sang:

Under the wide and starry sky,
Dig the grave and let me lie.
Glad did I live and gladly die
And I laid me down with a will.

This be the verse you grave for me:
Here he lies where he longed to be;
Home is the sailor, home from the sea,
And the hunter home from the hill.

Mr. Leonard Davis sang "Farewell."

Hon. WILLIAM B. BANKHEAD, a Representative from the State of Alabama, delivered the following address:

ADDRESS OF HON. WILLIAM B. BANKHEAD, OF ALABAMA

Mr. BANKHEAD. Mr. Speaker, since the selection of the Seventy-second Congress 3 Senators and 16 Representatives have been summoned by a very grim sergeant-at-arms to take their departure for another forum. We are here to pay our immemorial homage to our comrades who have gone away. Of necessity our eulogy must be composite and not individual.

If we were content to accept Cardinal Wolsey's unhappy lament, this ceremonial might well begin and end with his words:

This is the state of man: to-day he puts forth
The tender leaves of hopes; to-morrow blossoms,
And bears his blushing honors thick upon him;
The third day comes a frost, a killing frost,
And, when he thinks, good easy man, full surely
His greatness is a-ripening, nips his root,
And then he falls, as I do

To accept that bitter philosophy as a summary of life's achievements would make this an hour of despair—it would have us kneel at an altar devoid of the solace of assuring sacrament, whereas in its accepted spiritual significance it is an hour of triumph and reconsecration. We are here to honor men who honored themselves and the institutions of the Republic.

It appears to have become the popular fashion of late for Congress to be the target at which is aimed the bitter, if not vindictive, shaft of every calumny—the victim of every comedian's artless wit, the jibe and jest, indeed, of all that company of scribes who seem to have forgotten every kindly word in the vocabulary of praise.

We do not need to appeal to the living to vindicate the type of men who serve in the Congress of the United States. That this is, and has been, the training ground for many of our country's immortals is attested by the fact that 25 of the figures in yonder hall of fame are effigies of former Members of Congress. We are content to abide the judgment of posterity on a roll call of the dead.

Let us for a moment take the measure of these men. Let us appraise the average background and environment that nurtured their youth, the ambitions which fired their manhood, the qualities of heart and mind which in the esteem of their fellow countrymen made them worthy to take station in that place where Clay and Calhoun and Webster and Lincoln had schooled their polemic genius "in a time remote."

The majority of them no doubt had their origin in plain places; out of a frugal and wholesome environment they grew. The common schools, the modest academies, the State university sheltered and inspired their younger ambitions to know more of this vast old world, of its men and measures, of its political philosophy and social institutions.

In maturer years the ambition for public service entered into their dreams, and it was given them to know that under our benign system of government, in the real lottery of life, there are no marked cards. That neither rank, nor pedigree, nor prerogative casts its sinister shadow across the thoroughfare of aspiration, and that the courageous man had a fair chance to cleave his way through all obstructions. Then the hard apprenticeship in the minor honors—the legislature, the district attorneyship, responsible business executive. And yet always out yonder a little farther away the vision of the National Capitol.

But not quite yet; the preparation is not complete. The hustings is a hard taskmaster; the opponent will be inquisitorial and relentless. What, ambitious man, do you know of the Federal Government? How deeply have you acquainted yourself with the essence and interpretation of its Constitution? How learned are you in the origin of party principles and government and the intricacies of their application to existing controversies? What are the ordered processes of your reasoning that qualify you to engage in congressional debate? And then the yet more intense application in the school of practical politics, the formation of favorable factions, the arduous exactions of the campaign, and then victory and vindication.

It may be fairly stated then that it is no little thing to come into this Chamber with the confidence and approval of a great constituency, bearing a commission emblematic of their trust and their affection. How contemptible the creature who would deliberately degrade such noble credentials. How exceptional the number of those who have been guilty of betrayal.

Thus briefly prefaced in the abstract is the typical beginning of the service of our brethren, and we are assembled to-day for appropriate meditation upon their end.

In between are the brief or long and patient years of extended service. Theirs the effort to see to it that representative and constitutional government for a free people did not succumb, that equality of opportunity under the law should always survive; that the restraint of the mighty and the protection of the weak be a legal fact and not an academic fiction. Theirs to hold to the ancient faith of the founders—to preserve the old fidelities of policy, to revere the precedents honorably established—but likewise to pioneer in new fields of remedy and procedure when the old order grew archaic and unstable. And there lies one of the distressing problems of congressional service; to make decision to abandon an established tenet of policy honored during the reach of years, but now found inadequate to meet the evolution of events and the fickle currents of public opinion. It is no easy thing to remove "the ancient landmarks thy fathers have set." And neither is it a trivial thing to choose a safer outpost than the old fortress to be abandoned.

Verily these men loved America with an affection which "hoped, and endured, and was patient." Theirs was of that same type of devotion which inspired the noble apostrophe of Richelieu:

All things for France,
Lo! My eternal maxim,
The vital axle of the restless wheels
Which bear me on—

Fortunately it is not given to us to raise the iron curtain of the major mystery and see them wherever they are. But we may be permitted to surmise that they yet may make forensic war; that their disciplined and ingenuous faculties, though upon far nobler themes, may yet engage in challenge and reply; or having in that serener sphere put off the bur-

den of issues joined make penance for their wasted words in this life below.

How gracious a thing it is that there are no limitations upon the reach or, indeed, the ecstacy of our imagination in the exploration of the realm of the spirit.

Accepting such license, is it impossible to conceive that our departed friends have carried to the elder statesmen late tidings of the state of the Union?

To Washington that in his bicentennial a grateful Republic of 125,000,000 souls pays every human homage to its first Commander in Chief. To Jefferson that the declaration and the bill of rights, twin children of his brain, are yet the torch and sanctuary of human freedom. To Jackson that his "by the eternals" courage yet fires the hearts of men. To Lincoln that dissolution of the Republic expired forever at Appomattox and that his martyrdom ultimately wrought the healing of the Nation. To Wilson that his league still lives and, though yet aloof from us, has held the confidence of the majority of mankind.

In the beginning, I said that this should be an hour of triumph. It is so because it is an hour of peace. Buried deep in the heart of those commemorative roses, for this day at least, are all ancient grudges, all petty political and partisan feuds. The cadences of the hymns here sung have borne away the clamant harshness of all factional pride. The very softness of the silence within the Chamber is more eloquent in its subtle eulogy than are the phrases coined in the frenzy of debate by the mental ingenuity of men.

There is no occasion in this hour of reverie and contemplation to wear an armor for defense, or to lay hold of the lance for attack, or to use our little measures of intrigue. We lay by the weapons of warfare and gird on the mantles of amity and reconciliation.

On this day, surrounded by the generous exaltation of these obsequies, how feeble a fiction is that space out there called the center aisle. Yesterday the symbol of separation, to-day it is obliterated by the actual consciousness that a mere party label is a miserable device with which to measure the merits of a man.

Others will pay individual tribute to our departed friends on the printed page of our memorial volume. Justification could be found for singling out the eminent and outstanding public services of our lamented and beloved Speaker, NICHOLAS LONGWORTH; and yet, knowing him as we did, understanding the democracy of his nature, if he could be consulted, he would say, "No; not that; no word of praise for me that might disparage the others. We were all yokefellows in a common service, trying to pull together the burdens of our office."

There come many disillusionments with this public life. The way of ambition is not the way of peace. Real attainments here do not come by the processes of tranquillity and repose. The laborious route is filled with the hard stones of arduous labor, grinding details, petty and ofttimes discreditable jealousies, and disappointed aspirations.

But out of the welter of such strife and turmoil there comes to us all the one priceless compensation of real friendships, mutual confidence and respect. We held such sentiments toward all those gentlemen who have gone away. They have gone on an indefinite leave of absence, "on important business, the search of an answer to that question to which all the centuries have given no response: 'If a man die, shall he live again?'"

How can we find it in our hearts to believe that God will break faith with all the sons of men on the assurance of the words of Genesis:

And the Lord God formed man of the dust of the ground and breathed into his nostrils the breath of life and man became a living soul.

We may with confidence and assurance accept the philosophy of a sentence from Ingall's eulogy on Ben Hill, of Georgia:

Every man's life is the center of a circle. Within its narrow confines he is potential; beyond he perishes. And if immortality be a splendid but delusive dream, if the incompleteness of every human career, even the longest and most fortunate, be not perfected and supplemented after its termination here, then he who fears to die should dread to live, for life would be a tragedy more desolate and inexplicable than death.

Cornet solo, "Abide With Me," rendered by Mr. John Walker and the United States Navy Band Orchestra.

BENEDICTION

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

And now may grace, mercy, and peace from God the Father, Son, and Holy Spirit abide with us and keep us always. Amen.

MEMORIAL ADDRESSES

DWIGHT WHITNEY MORROW

Mr. SEGER. Mr. Speaker, under leave granted I include the following tribute of Hon. HAMILTON F. KEAN, United States Senator from New Jersey, to Hon. DWIGHT W. MORROW:

On October 5, 1931, there passed into the Great Beyond the soul of the late Senator from New Jersey, my colleague and friend, DWIGHT WHITNEY MORROW. His passing closed a long and brilliant career of useful public service to his own State, to the Nation, and to the people of other nations, and bereft the world of an international figure whose wide sympathies, keen intellect, sound judgments, and wise counsels were never more greatly needed to help civilization find its way out of an economic and social morass.

Edgar Guest's lines well described this man who has gone from us:

"Men are of two kinds and he
Was of the kind I'd like to be.
Some preach their virtues, and a few
Express their lives by what they do.
That sort was he. No flowery phrase
Or glibly spoken words of praise
Won friends for him. He wasn't cheap
Or shallow, but his course ran deep,
And it was pure. You know the kind.
Not many in a life you find
Whose deeds outrun their words so far
That more than what they seem they are."

Like so many other American boys who have won deserved fame by ability, courage, and character, DWIGHT W. MORROW was the son of poor parents. Born in Huntington, W. Va., January 11, 1873, he was the descendant of pre-Revolutionary Virginia patriots on his father's side, while his maternal ancestors were among the pioneers who settled Kentucky. His father, a school-teacher, sacrificed himself to educate his children, of whom the entire five who survived each received a normal-school or college education, and all five taught school at some time in their careers.

DWIGHT W. MORROW early betrayed the scholarly qualities which marked him throughout life when he graduated from high school with honors at the age of 14. Too young and frail to immediately enter college, he worked four years as an errand boy in the county treasurer's office at Pittsburgh, the family having moved to Pennsylvania. An older brother had won an appointment to the Military Academy at West Point, and at the age of 18 DWIGHT entered a competitive examination for the same place. He won the examination, but the Representative from the district was unwilling to make the appointment and have two boys from the same family in the acadamy at the same time. It was not in the character of DWIGHT W. MORROW to be defeated by circumstances, even at that early age, and a few months after the denial of his military aspirations he entered Amherst College, where among his fellow students were three whose lives and careers were destined to continue closely linked with his own—Calvin Coolidge; Harlan F. Stone, now a Justice of the Supreme Court; and BERTRAND H. SNELL, present Member of the House of Representatives.

The scholarly tendencies evidenced in high school developed and marked young MORROW's college course. His especial proficiency in mathematics and philosophy helped to qualify him for his later success in the fields of law, finance, diplomacy, and statesmanship.

As many other great Americans have done, DWIGHT MORROW worked his way through college, tutoring other students and editing a literary magazine. He won most of the prizes in mathematics and graduated at the head of his class. With the cash prizes he bought railroad tickets for his parents to go to Amherst to see him graduate. His oratorical ability was manifest in his college days, and at his graduation he won the two prizes for public speaking. His classmates voted him the member of the class most likely to succeed. In his contest he voted for Calvin Coolidge, and Coolidge voted for him.

After graduation from Amherst, young MORROW secured a clerkship in the county offices at Pittsburgh, where his father was principal of the normal school, and saved enough money to enter Columbia Law School in 1896. Here he again worked his way through by tutoring. Graduating from the law school, he became a clerk in the law offices of Reed, Simpson, Thatcher & Barnum in New York, at the head of which firm was Thomas B. Reed, former Speaker of the House of Representatives. Although other law stu-

dents were glad to secure such clerkships without salary, Mr. MORROW explained to Mr. Simpson of the firm that he could not afford to do this, and he was paid $50 a month to start. In seven years he was a member of the firm. As a lawyer, his faculty for stripping issues of nonessentials, bringing about agreement between conflicting interests, and organizing new enterprises won for him the confidence and respect of leading financiers, and he was invited to become a member of the firm of J. P. Morgan & Co., where he became an invaluable adviser to the financial world.

When the Great War broke out credits for all the allied nations were arranged through Morgan & Co., and they became suddenly the financial center of the maelstrom. In this emergency the knowledge of higher mathematics which Mr. MORROW had gained from Professor Olds at Amherst aided him in solving many of the intricate problems of international financing involved in the process of changing the United States from a debtor to a creditor Nation. William G. McAdoo, Secretary of the Treasury, appointed him as the head of the war-savings campaign in New Jersey, and he helped to originate the national thrift campaign. His speeches were used by the war-savings and Liberty loan committees throughout the country. President Wilson made him a member of the Allied Maritime Transport Council and the Allied Board of Supplies. Much of the work of these commissions, which consisted in amalgamating sea-transportation facilities and allotting them to the nations on a basis of largest value to the allied cause, was done in secret. DWIGHT MORROW worked best that way. He sought results, accomplishment—not publicity or honors. In fact, he refused a military commission offered him in recognition of his services to the American Expeditionary Forces, but could not refuse the distinguished-service medal given him by his own country nor the decorations presented by France, Italy, and Greece in token of their appreciation of his war work.

The drafting of DWIGHT W. MORROW for difficult public tasks began in his own State many years ago and became a National and State habit. In 1917 Gov. Walter E. Edge, now ambassador to France, drafted Mr. MORROW to serve upon the New Jersey prison inquiry commission, of which Mr. MORROW became chairman. There had been an indignant demand from the citizens and newspapers of the Senate of New Jersey for a radical reformation of the treatment of inmates of the State penal and correctional institutions.

The commission, under Mr. MORROW's leadership, made an exhaustive study of the subject and in 1918 made its report to Governor Edge. The report consisted of two volumes, one of which was a history of the penal and correctional institutions of the State of New Jersey from Colonial times down. The legislature of the State adopted the recommendations of the commission and set up by statute the department of charities and corrections, the name of which was later changed to the New Jersey State Board of Institutions and Agencies. Mr. MORROW served as chairman of the new department until 1920, when he retired. The system of institutional operation and control which was established and is being conducted in New Jersey as a result of the work of the prison inquiry commission has served as a model for other States after they have made extensive studies of systems elsewhere. In 1920 the national committee on prisons and prison labor gave Mr. MORROW a gold medal in recognition of his accomplishments in prison reform in the State of New Jersey.

In September, 1925, President Coolidge summoned Mr. MORROW to service as a member of the board which President Coolidge created for the purpose of "making a study of the best means of developing and applying aircraft in national defense." The board consisted of nine members, who elected Mr. MORROW their chairman, and was known as the President's aircraft board. The board made an intensive study of the subject during the fall of 1925, and at the end of November rendered its report to President Coolidge, which he transmitted to Congress and which Congress adopted almost in toto. Through his service as chairman of this board and also as trustee of the Daniel Guggenheim Fund for the Promotion of Aeronautics, Mr. MORROW helped to build and strengthen aviation.

When in 1927 President Coolidge appointed Mr. MORROW ambassador to Mexico, the relations between that country and our own were so strained as to threaten in the minds of many a continuance of friendly diplomatic intercourse. Differences of opinion over certain Mexican laws, particularly those affecting petroleum, were very acute. In selecting Mr. MORROW as ambassador to Mexico President Coolidge threw upon him the Herculean task of settling these questions and at the same time of restoring relations between the two countries to friendliness. How thoroughly he won the confidence of the Mexican people by his friendliness, sympathy, and understanding, his rare tact and diplomacy, and how successful he was in his handling of the difficult task which he had undertaken, is too well remembered to need repeating here.

In January, 1928, Mr. MORROW went to Habana, Cuba, as a member of the Sixth Pan American Conference, having been appointed to that conference by President Coolidge as one of the representatives of the United States.

While concluding his work in Mexico and preparing to act as a delegate to the London Naval Conference, Mr. MORROW was drafted by the Republican Party, to which he had long given allegiance, for more service to his own State. A candidate for the United States Senate was needed who could not only ably represent the people but could also reconcile differences within the party and insure party success. Told over the long-distance telephone in Mexico City of this need and of the agreement of party leaders that he was the one man who was their unanimous choice, Mr. Morrow accepted the summons as another call to duty.

Nominated by an overwhelming vote in the Republican primaries, Senator MORROW was elected by a plurality of 250,000 at the polls. His political beliefs were well summed up in his few campaign speeches, from which I quote these sentences:

"Despite all criticism of party government, we have found no way of making democratic government function without party machinery and party responsibility."

"If I am elected to the Senate, my only obligation will run to the voters of the State and to my own conscience."

And again:

"The constituency may properly demand of its representative that he be a public servant, but they would and should despise him if he agreed to become a slave."

As a Senator, Mr. MORROW's all-too-brief career was marked by the same earnest application to his duties, the same studious effort to understand questions and issues and rid them of nonessentials, and the same tolerant sympathy for the views of others, though he differed from them, as had characterized his career in college, in the law, and in the realms of business and diplomacy.

In addition to his work and interests, to which I have already alluded, for many years he was a trustee of Amherst College, from which he graduated in 1895. He was also a trustee of Hampton Institute, a director of Union Theological Seminary, of the New York Association for Improving the Condition of the Poor, and of the Russell Sage Foundation. He had been a director of the Commonwealth Fund, a trustee of the Carnegie Endowment for International Peace, and was a Regent of Smithsonian Institution at the time he was elected to the United States Senate.

Few men in any generation have given themselves with greater zeal and more patriotic devotion to the undivided service of their country and their fellow men than did DWIGHT W. MORROW in the days when the world was mad with war, and since. Where there was need for help in a worthy cause he never failed to heed the summons. One of his great services to humanity was as chairman of the committee which raised funds for the relief of earthquake and fire victims in Japan. His last public utterance, only a few hours before his great spirit burst the bonds of his frail body and passed to the great beyond, was an appeal for relief funds to help Jewish people.

DWIGHT MORROW's death is a great loss to his devoted wife, who has shared his pleasures and his trials for so many years. His death is a great loss to his children, to whom he was a father and companion and to whom he has been a counsellor and guide. His death is a great loss to the State of New Jersey, whose devoted servant he was, but it is a greater loss to the Nation, which in these times can ill afford to lose a man with such clear vision, sound judgment, and constant and able devotion.

As an epitome of his life, I might quote Kipling:

"He scarce had need to doff his pride or slough the dross of Earth,
E'en as he trod that day to God so walked he from his birth."

MEETING IN MEMORY OF THE LATE DWIGHT W. MORROW HELD BY HIS LONDON FRIENDS AT THE AMERICAN EMBASSY IN LONDON ON WEDNESDAY, OCTOBER 14, 1931—HIS EXCELLENCY THE AMERICAN AMBASSADOR (GEN. CHARLES G. DAWES) IN THE CHAIR

His Excellency the American Ambassador, General DAWES. We all meet as the personal friends of Senator MORROW. There are very few in this room—if, indeed, there is anyone—of whose friendship Senator MORROW himself has not spoken to me. It is very difficult for me to speak of him in any way but in terms of personal bereavement—in fact, it is difficult for me to speak at all. I recognize, as you all do, that his passing is more than a personal loss; it is a loss to the American Nation and to the world. Nature seldom decorates a man of genius with those human qualities and that exceptional character which were possessed by DWIGHT MORROW and which are really needed to give high ability its greatest effectiveness and usefulness in the world. DWIGHT MORROW's genius was such as won recognition in any company in which he might be; but there was always an equal recognition of his lovable human qualities and his strong character. Those qualities of which Sir Arthur Salter recently wrote in a very impressive tribute to him, which was published the other day, were qualities which at once struck anyone who was his associate. The first was an uncanny power in a discussion with any man, no matter what his personal feelings may have been, to put himself in the other man's place. There are many here who have been in negotiations with him, and no one of them could have failed to notice his predominant quality of fairness. He would never enter into any discussion in which he did not see the other man's side and make the other man feel that he knew all the difficulties, the embarrassments and the impediments which had to be faced and overcome before the other could come to his way of thinking. He was recognized as the first in practically every kind of association into which he went—technical, political, and civilian.

Seeing Gen. Sir Travers Clarke here, I remember at one time in the war when I went to British Army headquarters he asked me if I knew Mr. DWIGHT MORROW. He added, "I wish you would bring him to headquarters the next time you come, because I should like to see him and know him. I am told at the admiralty that his diagnosis of the allied shipping situation in the world was such that it determined admiralty policy." He was a mathematical genius, as Poincaré and Painleve are, and was masterful in solving technical questions. Sir Arthur Salter, Sir William Malkin, and Mr. Craigie, who are with us, have all worked with

him in such matters and will testify to his unusual ability in technical discussions, as well as to that faculty for putting himself in the other man's place which is never easy in technical differences which especially involve a pride in opinion. Then, above all, he would trust others. He never dealt with anybody without expecting him to trust to his own honesty, nor without his own trust in the honesty of him with whom he was negotiating. That made him immensely effective, for human qualities have just as powerful an effect in negotiations between nations and classes as in negotiations between individuals. In the Paris papers there appeared a tribute to DWIGHT MORROW, written by Mr. Robert Davis, which expresses what I am trying to say so much better than I can that in closing I will read a portion of it. Mr. Davis, at one time his pastor, was always an intimate friend. He said:

"DWIGHT MORROW was a small-town man, as Abraham Lincoln was a small-town man. He viewed the people about him as interesting and separate individuals, not as a human mass. He knew his neighbors. He knew why they worried, about their children, their investments, about their gardens, their family pets. He seemed to like individuals for themselves. He seemed to be reflecting upon what would help them to live more generously, about how they could get ahead in the world, how they could conquer their personal failings. During his mature life DWIGHT MORROW had three notable characteristics. He kept the mind of a mathematician, which had made him a prodigy as a boy, but this mind found its pleasure in the dissection of social misunderstandings. He delighted in the orderly analysis of a situation, removing the extraneous, layer by layer, like a surgeon; going deeper and yet deeper, until he confronted a single defined issue. A second characteristic was his small-town psychology. He approached any stranger, any stranger nation, any opposing politician as a small-town citizen meets a trusted neighbor. He assumed that they were like himself. He was prepared to interpret them, to represent them, because they were familiar to him. His third trait was an instinct for putting himself in the other man's place. Without effort he ignored himself and his own side of the question. The whole center of the picture was occupied by the other man's rights and advantages. Feeling his unforced sincerity, his opponents were disarmed; suspicion relaxed. They felt that they were with a friend. It was the union of these three traits that made DWIGHT MORROW a negotiator such as has seldom been equaled. If DWIGHT MORROW had lived it is possible that he would have reached a very high place in our Government. Should this have happened, he would have kept on dissecting every situation, without haste or timidity, interpreting men to themselves and to one another, showing them that, after all, there was some simple remedy, that quarreling would not help. As advocate, as ambassador, as Government envoy, as patriot, he showed people that if one's enlightened self-interest were known, there would be little cause for rivalry or anger."

I want also to read a few words which ex-President Coolidge, who held him in deep affection and respect, wrote of him but a year ago. He closes his tribute to Senator MORROW in these words:

"I first met him as the representative of the great mass of our fellow citizens which we call the people. There he will always remain, just one of them, unencumbered by his property, thinking their thoughts, working, working tremendously for their success. I have seen him develop into a ripe scholar, an able lawyer, a great business man, a wise statesman, and a devoted husband, father, and patriot. When most men would retire he seems always just beginning—beginning some new service for his friends and neighbors, for his country, and for humanity. It is the glory of the United States that it can produce such citizens."

I have asked a few here to say something of Senator MORROW, and I will call upon one of his very dear friends, the ambassador of France, M. de Fleuriau.

His Excellency the French Ambassador, M. DE FLEURIAU. I associate myself with all that General Dawes has said with reference to the late Senator MORROW. I came first in contact with him in 1917 when he came to London during the war. There are many here who worked with him and with me at that critical time which has left very, very interesting memories. The characteristic of DWIGHT MORROW, as he comes to my mind, was good will. He felt a very earnest good will toward the work he was doing and an extraordinary good will toward anyone who was associated in that work. That good will was helped in the most remarkable way by a sort of movement in his mind. He showed an extraordinary activity of mind—what we call in French "verve." He had verve, and he had courage, which is always a great characteristic in these serious times of our lives. He had, too, what was very peculiar, a curious absent-mindedness which added to his personal charm. I was his friend. I did not see very much of him for several years, but I had twice, while we were separated, some very delicate communications to make in his country. I wrote to him, and he gave me help for which not only I but my Government was very grateful. During the great financial difficulties we had he was a very good adviser to us. When I saw him last in the politics of his country he had become a Senator. I had then great hope for his advance in those politics, but now those hopes are shattered, and I feel very deeply the loss of this gentleman.

The CHAIRMAN. I will ask his excellency, the Italian ambassador to add a word.

His Excellency the Italian Ambassador, Signor BORDONARO. I am very grateful to the American ambassador for having asked me to be present at this meeting to-day and given me the opportunity of paying a personal tribute to the memory of Mr. DWIGHT MORROW. I was not an old friend of Mr. MORROW. I only met him for the first time when he came over for the naval conference last year. But since then I was fortunate enough to be on the best terms of friendly relations with him. I saw him last March when he was leaving to spend a holiday in Italy; he was to stay some weeks in my native town of Palermo. Mr. DWIGHT MORROW was not only a great American citizen and statesman, but he was one of those great international brains whose value is particularly needed in our present difficulties all over the world. His loss is not only a loss for America but a universal loss. The news of Mr. DWIGHT MORROW's disappearance was very deeply felt in Italy, where he had many friends. He was considered as a true friend of Italy and had several opportunities to prove himself one. I wish that my sincere tribute to his memory to-day should be taken also as a tribute from the country I have the honor to represent.

The CHAIRMAN. I will now ask the Japanese ambassador, who was a close friend of Mr. MORROW, to speak.

His Excellency the Japanese Ambassador, Mr. T. MATSUDAIRA. It is with heartfelt emotion that I speak a very few words to pay my tribute to the memory of a great American, our mutual friend, the late Senator DWIGHT MORROW. It was about four years ago when I was in Washington that I first met Mr. MORROW. Even before my personal acquaintance with him I had known that he had interested himself in the promotion of international good understanding among the nations, that he had paid great attention to the Pacific problems, and that he had constantly worked, though not officially, or ostensibly, in the cause of friendship between America and my country. Even in that first interview with him I was greatly impressed with his genial character, his legal mind, his common sense, and his high ideals of statesmanship. This impression was deepened when I met him again in London as a colleague at the time of the naval conference of London last year. I had other occasions in which to be in association with him closely and came to appreciate that his inclusion in the American delegation was an important factor in the successful issue of that historic conference. His ability and character asserted themselves most remarkably when difficulties and complications beset the path of the deliberations. His keen mind, his perseverance, and his remarkable power of easing the tense atmosphere, whenever it was endangered, were most essential in those anxious days.

The world is now passing through a very difficult time. Great questions, unexampled in history, are confronting us. The questions of finance and disarmament are demanding the wholehearted exercise of human energy, enterprise, and statesmanship. It is a time when a man of Mr. MORROW's experience, conviction, foresight, and strength is most sorely needed. His untimely death is not only lamentable for his own country but for all the world. The cause of the peace and prosperity of the whole of humanity will suffer in the loss of this great American statesman.

The CHAIRMAN. I will now ask the Mexican minister to say a word.

The Mexican Minister, Doctor ORTIZ. May I offer my humble homage here to the memory of the late Mr. MORROW, looking back to the time when he was ambassador in Mexico and to his many personal virtues.

It was at a difficult time that he came, as the highest representative of the United States, to my country; and he accomplished his task very well indeed, bringing to it a determined will to smooth away the obstacles in the path of our traditional friendship. I dare to say that it was his good will and his readiness to see and understand our national problems, not less than the indefatigable devotion he put into his task, that was the clue to his success. If to these qualities are added the personal charm and frankness of Mr. MORROW, which gained for him without effort the confidence and friendship of the Mexicans, it is easy to understand that he made one of the best American ambassadors we have had in Mexico.

Being myself absent from Mexico for a long time, I only had the opportunity of making his acquaintance during his last visit to London. I consider it a privilege to be able to add my tribute to-day, from my personal and pleasing memory, to that of the others who have spoken. It often happens that foreigners who come to Mexico with the good wish to conquer hearts are themselves conquered. Whether or not that explains the kind and sincere way in which Mr. MORROW always referred to my country, we could not but appreciate it greatly.

Through all the many worries of his busy life, endeavoring to do good to his country and to help humanity in the solution of the many problems of the day, he longed in his heart for peace and rest; and hoped to find them in his pretty, tiny house at Cuernavaca, which he was keeping for that purpose. If his premature death deprived him of the well-deserved rest he had planned, in a higher form he found it at last, leaving to his country and his fellowmen the fruits of his righteousness and of his services for mankind.

The CHAIRMAN. I will ask Mr. Montagu Norman, one of Mr. MORROW's very old friends, to say something.

Mr. MONTAGU NORMAN. This is not only a unique occasion, the like of which I believe not any of us has seen before, but we must recognize that it is also an occasion of sadness and of emotion. I, for my part, and perhaps the rest of you, his personal friends, can not contemplate the death of DWIGHT MORROW, or the world without him, without wondering what death means, without thinking, as we are all accustomed to think when death comes near to us, of mortality and immortality,

and whether indeed in spite of his death we shall continue without his good will and succor.

But that is not the side to which I wish to direct your attention. I have been wondering, as I came along here, why it is that we, as the ambassador has said, his personal friends, are meeting together in this unique manner on this unique occasion. We have heard it said, and I know well, that Senator MORROW was eminent as a mathematician, eminent I believe as a lawyer, as a banker, as a Senator, and certainly eminent in his desire and craving for public service. Yet I venture to say that if it were only for those reasons that we knew him we should not be gathered together as we are. It was because of another quality which he had, and which we all of us recognize, although perhaps we never put it into words. That quality was that we met him and he met us as a man. That is the category in which we knew him. That is the way we met him. If you may think that the term man is inadequate, I will say as a gentleman, or as a nobleman. Allow me to go one step farther. It was not the things that he did, but what he was, as I say, that endeared him to us, nor was it because he was clever or far-sighted, or imaginative, or any of those qualities which we recognize and many of which have already been mentioned this afternoon, but from my point of view the reason I feel and have felt toward him as I do is that he made me feel that those were my qualities and not his. The very difference in dealing or speaking with Senator MORROW, whether when he was a host, or whether when he was in business, or whether when it was merely passing the time of day, was that whereas at the beginning I felt a worm, at the end I felt a man. As I went along listening and talking to him I could not but be conscious each time that he lifted me from the dull and unimaginative way in which I was accustomed to approach many of the subjects which we discussed, and brought me, as it were, on to that level which, so far, I had believed he alone could occupy. Mr. Ambassador, first of all, it is because he was a man and a gentleman and a nobleman that I treasure his memory. Secondly, it is because for all his qualities he, with a generous hand, imparted them to me, and because I know that I have been the better for such contact as I have had with him. So I have gladly accepted your invitation to pay my small tribute to him, to mourn with you his death, but to be thankful for his life.

The CHAIRMAN. I will ask Mr. R. L. Craigie, of the Foreign Office, who was very many times associated with Mr. MORROW, to say a word.

Mr. R. L. CRAIGIE. After what has been said here this afternoon I feel it would be almost a presumption on my part to attempt to pay any general tribute to DWIGHT MORROW's character, life, and career. But there were two periods in his career when I had an especially advantageous opportunity of watching him at work, and I may perhaps refer briefly to those periods. The first was the period of his ambassadorship in Mexico City. When he went to Mexico City there were many difficulties in the way of American-Mexican relations, many big and difficult problems which had so far eluded solution. To a third party they seemed almost insoluble, and yet when Mr. MORROW arrived at Mexico City he set to work with courage and energy to master those problems, and not only to master them but to win the confidence of those with whom he was negotiating. I feel sure the Mexican minister will bear me out when I say that, viewed from our neutral standpoint, in those three years, when he was ambassador in Mexico City, a complete change in the situation was brought about. When I say from the neutral standpoint, of course, we were not entirely neutral because we, with our great interests in Mexico, benefited greatly from those happy changes.

The second period during which I was able to see him at work at closer quarters was during the London Naval Conference When he arrived here he could have had no previous, or very little previous, knowledge of those difficult technical and complex questions which we had to discuss, connected with guns, categories, displacements, and so on. Yet within a very short time of the opening of the conference, there was, I believe, no man who had a better mastery of those problems. He set to work with his singleness of purpose, his tact and his resourcefulness to help him in the solution of those problems one by one. I am sure Sir Maurice Hankey will bear me out when I say that that conference owed a very deep debt of gratitude indeed to DWIGHT MORROW. When he crossed the ocean to come to this country he had already won our great esteem and admiration. When he left, he carried away with him our deep affection as well.

The CHAIRMAN. We will conclude the meeting by hearing one more friend of Mr. DWIGHT MORROW—Mr. Charles Selden, president of the American Press Association.

Mr. CHARLES A. SELDEN. Mr. Ambassador, the last time I saw Senator MORROW was in April of this year in the public lobby of the Parliament buildings. Much to my surprise, I saw the Senator standing in the middle of a long, dreary queue of ordinary sightseers, waiting for the policeman to let them go upstairs to the gallery after the House of Commons had finished saying its prayers. Of course, I was surprised, and I said: "Why, a Senator, an ambassador, and a delegate to the naval conference ought not to be in a queue like this; you ought to be going comfortably to the distinguished strangers' gallery." He said: "Well, I am not an ambassador any more, I am only a Senator, and the naval conference was over a year ago. I do not want to be a distinguished stranger; I just want to go upstairs and hear Snowden." He did, and he sat throughout the afternoon five rows back from where the foreign correspondents sit. The incident was characteristic of the things in Senator MORROW that made him beloved of newspaper men wherever they met together, whether in Mexico or in London, in New York or in Washington, or in his own State of New Jersey, where he had before that been elected by the unprecedented majority of 200,000 to the Senate, chiefly because he had the courage to say to America what no other Republican candidate throughout the United States had dared to say. We liked him also because he did not know how to boast, even when he was telling us about the big affairs in which he himself had participated. The nearest he ever came to it—he never tried—was when he told us that he had persuaded some of his British colleagues to work on a Good Friday and through the Easter week-end. As a result of that feat, he had finished the drafting of the naval treaty in four days. Mr. Stimson had previously expressed the hope that it might be done in 10 days, allowing time out for the English Easter.

But it was not merely as a genial host and good story-teller that Senator MORROW had his relations with foreign correspondents. We hear a great deal now about the necessity for sympathy, confidence, and good understanding among the countries. Journalists working abroad naturally feel that they have some legitimate, although unofficial, part to play in producing that understanding. But it can not be done without the help, sympathy, and confidence of the official diplomats; and that was what we always had from Senator MORROW. He did not come into American politics and diplomacy until some years after diplomacy had begun to call itself "open"; and MORROW took the idea of openness very seriously, and enabled the correspondents to render better service to their papers, to the people of the country from which they came, and to the people of the country to which they were accredited.

The CHAIRMAN. That will conclude the meeting. I will wire, with your permission, a message of sympathy to Mrs. Morrow.

Mr. SEGER. Mr. Speaker, under the permission granted to extend my remarks, I submit the following statement of Hon. W. WARREN BARBOUR, of New Jersey:

The passing, on October 5, 1931, of DWIGHT WHITNEY MORROW was an irreparable loss, not only to the State and to the Nation but to the world. At a time when even the wise men grope blindly for the distant ray of sunlight to lead them and their kind from the economic and social morass into the pure light of day, the wide sympathies, the keen intellect, the logical judgments, and the wise counsels of this true American can scarce be spared.

DWIGHT W. MORROW's rise to the heights of leadership over his fellow men is the typical story of the early struggles and hardships of the American youth, who, overcoming innumerable obstacles, continues unswerving on toward the goal. As a youth at Amherst his abilities were quickly recognized, and he was voted by his classmates the student most likely to succeed in later life. His proficiency in mathematics and philosophy during these years of study were to come in good stead when he reached manhood. It affords some additional insight into the character of this man when we hear that the prize money awarded him in a contest in mathematics was spent for railroad tickets so that his father and mother might attend his graduation.

Securing a clerkship in the county offices at Pittsburgh following his graduation, young MORROW saved enough to enter Columbia Law School, where his ability to strip issues of their unessentials was readily recognized.

His rise in the field of law was rapid, and he was successively advanced to positions of high trust, finally becoming a member of J. P. Morgan & Co. The coming of the World War saw him appointed as head of the war-finance campaign, and he assisted in formulating the national thrift campaign plan. President Wilson, disregarding party lines in his quest for high ability, made him a member of the Allied Maritime Transport Council and the Allied Board of Supplies. He sought and achieved the thing that was the pressing demand of the day—results. He achieved it without fanfare and without the beating of drums; but when DWIGHT W. MORROW had finished a job, there were few, if any, improvements that could be made upon it.

The rest of the story is still fresh in the minds of the people—his aid in drafting the first workman's compensation law enacted in New Jersey, his service on the prison inquiry commission and on President Coolidge's air board, his successful efforts to rehabilitate the finances of Cuba, and his culminating triumph of all in the field of statesmanship—the reestablishment of good will between this Nation and Mexico.

Concluding his work in the republic of our southern neighbors, he was sent as a delegate to the London Naval Conference when the call to serve his State in the halls of the United States Senate was sounded. He responded, and the overwhelming plurality given him by the electorate was a tribute to the respect in which the man and his abilities were held by men and women of all parties.

Few men have devoted themselves so unreservedly to the public welfare as did DWIGHT MORROW. In his hands any problem was assured of a safe and sane solution.

His passing leaves the world bereft of a charitable figure, a true gentleman, a talented statesman, and a heart which beat in accord with all of humanity.

THADDEUS H. CARAWAY

Mr. GLOVER. Mr. Speaker, this day has been set aside as memorial day to honor those of our ranks that have fallen asleep during the year just closed. I desire to speak espe-

cially of one of our ranks from the great State of Arkansas, the Hon. T. H. CARAWAY. It was my pleasure to know him intimately for many years, and to know him was to love him. He was a man of positive conviction. You never had any trouble to find where he stood on any of the great questions that confronted the Nation. To say that he has been missed from our ranks does not express it. His influence for good was felt throughout the Nation. He was an able speaker and always held the attention and esteem of his colleagues.

While he devoted the greater part of his time to the practice of law, Senator CARAWAY gave much of his work to the upbuilding of his State, and was ever a prominent figure in the political arena. He possessed untiring energy and was a diligent student. He was one of the most eminent lawyers in Arkansas and was actively engaged in the practice of law.

In his political life he was frank and outspoken. It was his belief that a candidate should stand upon principles, and there was never any difficulty in finding where he stood on public questions. Few men were ever better equipped for the duties of a statesman, none more sincere and honest.

It was but natural that his State should call him to many public offices and finally crown his political life with a commission to the Senate of the United States.

We sympathize with his family that he left behind to mourn his loss. He has gone from us, but will never be forgotten by those of us who loved him. May we emulate his great example of loyalty and profit by his statesmanship.

It is with a feeling of deep personal loss that I say these last few words in memory of my friend, whose nobility of character will ever be an inspiration to the youth of the Nation, whose life is worthy of the highest emulation.

Under the leave granted to extend remarks in the RECORD, I include the following statement of his colleague, Hon. JOSEPH T. ROBINSON, United States Senator from Arkansas:

Service in either branch of the Congress during the last few years has been marked by notably increased duties and responsibilities. The centralization of power and administrative authority in the Federal Government has been rapidly growing during the last 25 years. The process appears to have been quickened since the beginning of the economic depression in October, 1929.

There is hardly a member of the Congress, however familiar he may be with the details pertaining to national legislation, who has not felt the strain incident to the confusion of national policies and the disappointment and dejection incident to the futility of experiments by the lawmaking authorities with schemes designed to restore confidence, revive business, and relieve unemployment.

Many lawmakers, as well as individuals engaged in the various spheres of private enterprise, having failed to safeguard their physical resources, have broken down under the pressure, and more than a few have been called prematurely by death.

The senatorial associates of Senator THADDEUS H. CARAWAY were familiar with his peculiarities of disposition and knew that it was his custom to work almost continuously, seldom indulging in any form of recreation or amusement. Long hours of confinement in his office and in the Senate, with little outdoor exercise, undermined his naturally strong constitution and so reduced his vitality that he was unable to mobilize the vigor and strength essential to recovery from a surgical operation which he found it necessary to undergo during the vacation of Congress in 1931, just at a time when his capacity for usefulness to the public was greater, by reason of his experience and diligence, than at any other period in his prolonged public career.

Distinctive mannerism, occasional sensitiveness, and quick resentment of unjust criticism respecting his position on public issues; exceptional clearness of thought and expression and readiness of witty and humorous retort, gave to Senator CARAWAY a prominent and secure place among the foremost debaters of his time.

Few renowned public men with whom it has been my privilege to be intimately associated have brought to the performance of their duties a broader experience than Senator CARAWAY enjoyed. Trained to hardship and self-reliance in early youth, he acquired while serving as a teacher in the public schools a knowledge of human nature which proved of undoubted value when the obligations and responsibilities of maturity required a measure of self-restraint not always consistent with that impulsive action to which Senator CARAWAY was often prompted by nature.

Before becoming a member of Congress, Mr. CARAWAY served for several years as prosecuting attorney in a district in eastern Arkansas embracing counties comprised in the first congressional district of that State. It is doubtful if the entire country has produced a more effective and successful public prosecutor. The ability to examine and cross-examine witnesses in such a manner as to uncover facts and separate them from conclusions, the power to impress upon courts and juries the significance and relation of material circumstances, are among the indispensable attributes of great advocates. Mr. CARAWAY contributed to the supression of crime by the fearless prosecution of lawbreakers and by demonstrating his ability to secure convictions in all trials when justified by the evidence.

Entering the House of Representatives in 1913, he served with distinction throughout the trying period of the World War and gave hearty support to President Wilson in his measures for the successful conduct of the great conflict. Indeed, he was prompted to contest the reelection to the Senate of Hon. William F. Kirby, who succeeded Senator James P. Clarke (the latter having died a few months before the United States entered the war), on the ground that Senator Kirby had not been sympathetic toward the war policies of President Wilson. The triumphant election of Senator CARAWAY brought him into a new and broader sphere of usefulness where he quickly took a place in the first rank of able and patriotic Senators.

It would be interesting to review his work as a member of the Committee on Agriculture; however, the appropriate limitations on this address hardly permit of the discussion in detail of the measures he proposed. It was one of the bitterest disappointments Senator CARAWAY ever knew when the farm marketing act was passed through the influence of the national administration without the inclusion of either the equalization fee carried in the McNary-Haugen bill or the export-debenture method of agricultural assistance, which he took the initiative in preparing.

As a member of the Judiciary Committee, Senator CARAWAY's training and experience in the practice of the law, his comprehensive grasp of the principles of the Federal Constitution, made him a powerful factor in shaping and controlling the legislative measures which came from that great committee during his service as a member of it.

Extraordinary ability as an investigator, facility for mastering and mobilizing facts, unusual talent in stating and in presenting them, diligence in the performance of duty; severity, even bitterness, in the face of opposition, yet tenderness and sympathy toward all distress and suffering, combined to make for Senator CARAWAY a character and career which has left a lasting influence for good citizenship and wholesome government in the memory of the many thousand friends who mourn his departure.

WILLIAM JULIUS HARRIS

Mr. TARVER. Mr. Speaker, the wave of grief which swept over the State of Georgia on the evening of April 18, 1932, when news went out from Washington that Senator HARRIS had died, was such a spontaneous and genuinely sincere tribute on the part of the 3,000,000 people whom he had served to the sterling character and accomplishments of the man that the mere addition of words by one individual can add nothing to it. Throughout the news articles which appeared in all of the papers of the State at that time there ran one expression which impressed me deeply, and that was that in his passing the people of Georgia had lost a "friend." Not the accomplishments of his years of public service, many and varied as they were, received emphasis; not the numerous and high honors which had been justly bestowed upon him by his State and Nation; but the fact that in Senator HARRIS every man, woman, and child in Georgia had a "friend"—that was the outstanding feature of private and public comment.

And it was the strength of the man, in his political career. It was not his "the applause of listening senates to command." He made no pretensions to the gift of oratory. He was not showy in his service to his people. But the humblest citizen of Georgia could bring to him his trouble and receive the response of a kindly heart, willing and anxious to give aid wherever it might be rendered. The attainment of distinction, position, and power made him humble and anxious to be worthy, not arrogant nor proud. Too many of our public servants feel that their selection for public place is a selection to rule and not to serve. It was not so with him. WILLIAM J. HARRIS in the Senate was as close to the ordinary man as he was on the streets of his home town before any public honor ever came to him.

Twenty years ago I served with him in the Georgia Legislature. Then, as throughout all of his career, he felt his obligation to the masses of the people, and disclosed that feeling by his legislative work. He was not a demagogue. He did not seek to win the approval of the unthinking by unjust attacks upon the interests of those of his constituents who were wealthy or powerful. He represented them also and gave to them every legitimate assistance in his power. But throughout his long career no man ever suspected that he was subject to the control of any special interest, nor that he viewed his obligation to the humblest farmer or workingman in his State as less sacred than that which he owed other classes of our citizenry.

When I came to Washington as a Member of the Seventieth Congress, with all of the lack of knowledge of practice and procedure in Congress which afflicts every new Member,

he found time from his numerous duties to inform, advise, and assist me in every possible way; and he continued the closest cooperation and accord with me in the more than five years that followed until his death. In greater and more poignant degree than those who did not work with him, I mourn the passing of a friend; an able, powerful, honest friend. I know—as who of our people does not—that Georgia never sent out from her red clay hills into her public service a man who loved her more, and never received back into her soil the ashes of a man who was by her people more beloved.

Mr. RAMSPECK. Mr. Speaker, in the death of its late senior Senator WILLIAM J. HARRIS, Georgia has lost a most unusual public servant.

Senator HARRIS devoted himself untiringly to the interests of the people of his State. He was never too busy to attend diligently to any matter in which one of his constituents was interested. No man or woman was too humble to command his best efforts.

For many years he ably represented the State of Georgia in the Senate. He rose, by seniority of service, to the top of the Democratic side of the great Senate Committee on Appropriations. He held other important committee assignments. These arduous duties, however, never caused him to lose sight of the common people of Georgia. Their interests came first with him.

Senator HARRIS was known in our State as one official that always answered a call from his people. He served them with diligence and devotion and was always active in every matter that concerned the welfare of the State.

His death is a great loss to our people. He is mourned by a host of devoted friends and my sympathy rests with them and with the members of his family. He was a true friend, devoted and loyal to those legions of Georgians by whom he was honored with three elections to the United States Senate.

He was always kind and helpful to me, always ready and glad to assist in any matter concerning my district. His death is a great loss to me personally and to our State.

Mr. LANKFORD of Georgia. Mr. Speaker, the State of Georgia lost a true friend and the Nation suffered an irreparable loss in the death of Senator WILLIAM J. HARRIS on April 18 of this year.

He and I came to the Congress at the same time, both taking the oath of office on May 19, 1919, during the last two years of the administration of President Woodrow Wilson. We both had been elected at the November election, the same month in which the World War came to a close. We not only assumed duties new to us, but new to all Members of the House and Senate.

The World War has more than doubled the departmental work of Members of Congress. We all gladly render this labor of love to those who served so nobly and well in the hour of our great peril.

No one was more anxious to serve well the veterans of all wars than Senator HARRIS. Especial attention was given by him to the claims of the veterans who suffered service-connected disabilities.

Senator HARRIS, because of his previous experience in departmental matters, was well fitted for the splendid and untiring service which he rendered not only to World War veterans but to all who asked him for aid.

Senator HARRIS knew to the fullest extent the importance of details and the value of little things. He knew that the least things make the greatest; that invisible atoms make the universe and seconds of time make eternity. He did nobly and well the great acts of human endeavor by performing with painstaking care the minor parts.

His careful attention to detail, his honesty of purpose, and his great loyalty to his people enabled him to become a true an honorable servant of the people he loved so well.

His every act showed that he knew that "duty is the sublimest word in the English language."

With him a promise was most sacred and never to be broken. I have never known a man in public life who could stand more pressure without shadow of turning from a friend whom he had promised to serve.

Senator HARRIS was a valuable public official and his friends everywhere suffered a great loss in his passing. He filled his place in the United States Senate ably, and no one else can render the quiet, unassuming, efficient, all-embracing service so peculiarly his own.

He understood to the fullest extent that the greatest powers in the universe are most silent.

Like the silence of gravitation, the stillness of the sunshine, and the quietness of a mother's love, he did and did well his life's work, and like all of these it will last through all eternity.

Mr. Speaker, during the first 12 years of my service here only two of my colleagues passed into the Great Beyond.

First, I went to Georgia with all that was mortal of the late Senator Thomas E. Watson, of Georgia, and saw him returned to Mother Earth at Thomson, Ga. Several years later I left in Washington in apparently good health my good friend Hon. Leslie J. Steele, of the fifth Georgia district, only a few days later to be notified of his passing and to attend his funeral at Decatur, Ga., where I saw him for the last time until the great awakening.

Now, during the last 12 months, I have been notified of the death and attended the funeral of three of my beloved colleagues:

First, Hon. Charles Gordon Edwards, of the first congressional district, who was buried in Savannah; next, Hon. Samuel Rutherford, who was buried in Forsyth; and last, Senator WILLIAM J. HARRIS, who was buried recently in Cedartown.

When sorrows come, they come not single spies, but in battalions.

Three nobler, truer friends of mankind never lived. Their work is imperishable. It will last as long as yonder sun shall shine.

Mr. LARSEN. Mr. Speaker, Senator WILLIAM J. HARRIS was one of the most unique characters who ever occupied a seat in the United States Senate. The one dominant, outstanding trait in his sterling character was his uncompromising loyalty to conviction. In truth, this was the very genesis of his political creed. He possessed an agility and vivacity of spirit that seemed to increase rather than diminish as the years passed. Although in ill health for some time before his death, the close of his life was marked by the same interest in and application to his official duties that had characterized the commencement of his public service.

Beginning his public career he was, first, secretary to the late Senator Clay, of Georgia, after whose death he returned to Georgia, engaged in business, and was elected to the State senate, where he served with much credit. He was manager of the 1912 Woodrow Wilson presidential campaign in Georgia. Upon Mr. Wilson's entry into office he first designated Mr. HARRIS as Director of the Census and later as a member of the Federal Trade Commission, of which body he became the chairman. His services in these positions were so satisfactory and he was so greatly admired by Mr. Wilson that in 1918 he personally advocated his election to the United States Senate. He was successful in that notable campaign and thereafter served continuously in the Senate until death.

Elbert Hubbard said that after perusing the lives of great men one concluded that it was more difficult to find a gentleman than a genius. I do not agree with Mr. Hubbard. I have met many gentlemen who would be properly classed among the great—I have found them in all walks of life, rich and poor, proud and humble, wise and not so wise—men who consistently displayed all the fine attributes of character and conduct that constitute a gentleman. Senator HARRIS is entitled to be classed among the great. He was a gentleman at all times and under all circumstances. He possessed to a marked degree the spirit of forgiveness toward those who he thought had wronged him and was ever ready and willing to adjust differences on equal and honorable grounds. This is characteristic of greatness and goodness. His demise marked a broad, dark somber swath across

the political horizon of Georgia. His death is a loss, both personal and public, to which it is difficult to properly reconcile any thoughts and feelings.

Mr. WRIGHT. Mr. Speaker, it has been said some men are born great and others achieve greatness, but the latter was essentially true of the late Senator WILLIAM J. HARRIS.

By intelligent application and unceasing energy he acquired a broad knowledge of the true principles upon which our great Government was founded, and applied these principles in his private and official conduct.

Born of distinguished parentage, he was reared in a country town, and the foundation for his subsequent active and useful life was based on a practical education secured in the common schools, followed by a course in the University of Georgia.

As a young man he became the private secretary to the late Senator A. S. Clay, and during this service he acquired a liberal knowledge of the workings of the United States Senate and of governmental affairs.

He was later elected to the State Senate of Georgia, where he rendered active and constructive service. Later he was appointed Director of the United States Census Bureau, in which position he made a splendid and notable record. Then he became Acting Secretary of the Department of Commerce, in which position his services were most creditable and efficient. He later served as chairman of the Federal Trade Commission, and administered the affairs of this responsible position with a high order of efficiency and with great value to the people of the United States.

In 1918 he was elected to the United States Senate from Georgia for the term beginning March 4, 1919, and was reelected in 1925 and again in 1930, in which last election he received the largest majority ever received by any candidate for the United States Senate from Georgia; his opponent carrying only 1 of the 161 counties of the State.

It was during his service in the Senate that he rendered his most constructive and useful service, where he had the confidence, esteem, and respect of his fellow Senators on each side of the aisle. He enjoyed an intimate acquaintance with the late President Wilson, and commanded his confidence and personal friendship.

He at all times championed the cause of the masses, and his great heart literally pulsated in their interest.

He was perhaps the most attentive to the wants of his people and the most indefatigable and untiring worker ever in the Senate from Georgia, and there was nothing either great or small which concerned his great constituency to which he was not always ready to give his personal and intelligent attention.

In his passing, the State and the entire country suffered the loss of a patriotic citizen and an intelligent and loyal public servant.

Mr. MOBLEY. Mr. Speaker, during the Seventy-second Congress the ranks of the Georgia delegation have been thinned by death as have those of no other State in the Union.

The first district of Georgia in July of 1931 lost its popular and useful Representative Hon. Charles G. Edwards.

On February 4, 1932, Hon. Samuel Rutherford, who represented the sixth district, was suddenly snatched away.

Then, on April 18, 1932, the beloved senior Senator from Georgia, Hon. WILLIAM J. HARRIS, was called by death.

While Senator HARRIS was in attendance at the funeral of Mr. Rutherford, I was with him for the last time. He was not feeling well at that time, but friend that he was to all the people of our great State and the pleasure he received from being among them prompted a visit from him to the business people of Forsyth while there on that occasion. In accompanying him on his visit among our people, I was made to realize more than ever before why he was so greatly beloved by the people of Georgia.

He had the wonderful faculty of remembering people and names as probably no man in public life in Georgia has ever had. He had not only remembered the people themselves, but if he had ever had personal or political association with them these facts were not forgotten. He had a personal interest in every person he represented and there has never been a man in public life in our State who was called upon for service as was Senator HARRIS.

Men in all walks of life alike considered him their friend, and friend he was. The promptness and thoroughness with which he handled matters met with the approval of his constituents and prompted them to make heavy demands upon him, to which he always cheerfully responded.

Senator HARRIS was not considered a great orator. He made no pretense in that direction. However, he was one of the most useful Members of the United States Senate. He was ever alert and awake to the problems of our State and Nation. He sponsored much corrective legislation while in the Senate and was unusually successful in his undertakings.

If he had one worthy and commendable trait that stood out and outshone his many others, it was his courage of conviction and sincerity of purpose.

Our State will probably never be represented by as useful a public servant and as honest and conscientious a man as was Senator HARRIS.

Mr. Speaker, under leave to extend my remarks in the RECORD, I include a memorial address by Hon. WALTER F. GEORGE, as follows:

It was my pleasure and privilege to serve in the United States Senate with the late Senator WILLIAM J. HARRIS from the latter part of 1922 until his untimely death on April 18, a period of nearly 10 years. I feel that I am in a position to judge of his great worth and usefulness to the Nation, the State, and to the individual citizen of Georgia. He was untiring, and his efforts were constructive and fruitful.

It is fitting that the people of Georgia should recall the long public service of Senator HARRIS, which extended over a period of 20 years, practically without interruption. He entered the Georgia State Senate in 1911, completing his term there and accepting the position of secretary to United States Senator A. S. Clay. He served as a member of the State Democratic committee. His next important post was that of Director of the Bureau of the Census from 1913 to 1915. He also served a short time as Acting Secretary of the Department of Commerce. Under President Wilson he was chairman of the Federal Trade Commission, resigning to make the race for United States Senator in 1918, to which office he was elected and which he held until his death.

In the Senate he was keenly alive to the needs of his people and was instrumental in securing the passage of important legislation and the setting aside of many necessary appropriations to carry on worth-while Federal activities in Georgia. Among the many important accomplishments may be enumerated appropriations to determine the cause and cure of cancer, the use of southern pine for the manufacture of paper, and the eradication of fruit and animal diseases. He was also interested in the purchasing of Georgia lands to be used as national parks. At the time his services were terminated he was earnestly attempting to limit the immigration of Mexican labor in an effort to aid our cotton farmers. He was twice successful in securing the passage of a bill for this purpose by the Senate.

Senator HARRIS was a member of the Senate Committee on Appropriations, Commerce, Immigration, Military Affairs, and Territories and Insular Affairs. The first three named received most of his attention. Many monuments will remain in Georgia testifying to his activities and the success of his work in the Committees on Appropriations and Commerce.

As secretary to Senator Clay, Mr. HARRIS became familiar with the needs and desires of fellow Georgians. His experience gained there was invaluable to him in filling the position to which he was subsequently promoted and which he so adequately filled. The characteristic which endeared him to the people of our State, however, was his interest in, his love for, and his desire to assist and serve the individual, whatever his position in life. That he carried this feeling with him to the end is the greatest tribute that can be paid him.

While the loss to the Nation and State is great, it is the man in the street and on the farm who will more keenly feel his loss and regret his passing.

Georgia and Georgians may regard with pride the achievements of Senator HARRIS. On my last visit to his bedside, he spoke of humble Georgia citizens who had called upon the Senators and seemed pleased and happy when I reported the satisfactory service rendered certain of them. He died praying to get back to work.

HENRY ALLEN COOPER

Mr. AMLIE. Mr. Speaker and fellow colleagues, I feel that it is a great honor to be able to pay a word of tribute to my distinguished predecessor from the first district of Wisconsin, the Hon. HENRY ALLEN COOPER, who served with honor and distinction in this body for many years before I was born. His term of service here was continuous except for the two years of 1919–1921, when he was defeated as a result of his courageous stand against the entry of the United States into the World War.

In the lives of many men there is some one incident which brings out in bold relief the character of the man and the things for which he stood. I feel that this was true of HENRY ALLEN COOPER, and that it was my great privilege to have been present when this event occurred. It was at the Republican National Convention at Cleveland in 1924, when on the third day of the convention Mr. COOPER was called upon to present to the convention the minority platform of the Wisconsin Progressive delegation.

The audience was obviously tired and in no receptive mood for a platform of the kind proposed by the Wisconsin delegation. When Mr. COOPER was introduced by the permanent chairman, Mr. Frank W. Mondell, of Wyoming, there was a tremendous hostile uproar throughout the convention hall. There were cries throughout the great audience of "bolshevist," "go to Russia," "throw him out," boos and catcalls, while in the corridors of the building the convention attachés were singing an improvised convention anthem, "To hell with La Follette," sung to the tune of the Old Oaken Bucket.

The newspaper photographers immediately sensed that this was the one dramatic incident in a convention that had been as devoid of excitement as a college commencement. The powerful klieg lights were turned on Mr. COOPER. The hostile demonstrations continued. Mr. COOPER waited in courtly silence. It was a contest in crowd psychology. Somehow the spectacle of the tall, slender, immaculately dressed, white-bearded gentleman on the platform had its effect upon that hostile crowd. Somehow he seemed out of place. He did not look like any of the politicians who had been milling about on that platform for the past three days. His appearance suggested rather that of one of the prophets of old, who, by some strange disarrangement in time and place, had gotten into that political arena. The hostile audience became impressed with this strange spectacle. After 5 or 10 minutes the hostile demonstration began to subside. Mr. COOPER waited till there was complete and expectant silence and began his address.

He told them that as a young man he had read the proceedings of another convention held at Cleveland where a certain distinguished American had defended the right of a minority to be heard. That it had made a lasting impression in his mind and that that afternoon he had gone to the Cleveland Public Library and found the quotation:

> The main object of an old party becomes more and more the retention or the regaining of power. The great curse of our present politics is that your heated partisan never knows the other side. It seems to him that it is disloyal to be on the other side. The element now so sadly needed in our politics is consideration of every question on its individual merits and willingness always to hear the other side.
>
> No person can do a higher duty than to resist the majority when he believes it wrong; to assist the right of individual judgment and maintain it; to cherish liberty of thought and action against the tyranny of his own or any other party.

There was a small amount of applause coming from the Wisconsin and North Dakota delegations. Mr. COOPER continued:

> The man whose words I quoted was at one time editor of the New York Tribune, and he represented us at the Court of St. James as United States ambassador—Whitelaw Reid. I have noticed a good deal of applause from the Wisconsin delegation, but I do not hear much from New York, although several of Mr. Reid's relatives are in that delegation.

Obviously, this patriarchal figure was more than able to hold his own in any fencing contest of wits. The crowd was definitely beginning to warm up. Mr. COOPER continued:

> It is no new thing for the Wisconsin delegation to be charged with bolshevism, and similar charges. In fact we are getting used to it. We have been coming here to these Republican conventions with minority platforms ever since 1908. It devolved upon me then to present that minority platform.
>
> At that time we were met by calls from the audience of "socialism," "take it to Denver," and still every one of these planks which were so booed and hissed in 1908, with the sole exception of one, is now the law of the land.

Mr. COOPER proceeded to enumerate the direct election of United States Senators and other measures that had been booed and hissed in 1908, but had since been enacted into law by one or the other of the two major political parties.

In conclusion he added:

> Since that convention in 1908 Wisconsin has presented several minority platforms, and in them were 31 planks, 26 of which are now the law of the land, and one of those planks, as I have stated, is in the Constitution of the United States.

By this time the unfriendly audience listened in silence. There was something prophetic about this tall, white-bearded man, telling them of the progress that had been forced upon a reluctant majority by a small minority possessed of courage, foresight, and determination. Mr. COOPER began to read from the minority platform:

> The present condition of American agriculture constitutes an emergency of the gravest character. The Department of Commerce report shows that during 1923 there was a steady and marked increase in dividends paid by the great industrial corporations. * * * On the other hand, the Secretary of Agriculture reports that in the 15 principal wheat-growing States more than 108,000 farmers since 1920 have lost their farms through forelosure or bankruptcy; that more than 122,000 have surrendered their property without legal proceedings, and that nearly 375,000 have retained possession of their properly only through the leniency of their creditors, making a total of more than 600,000, or 26 per cent, of all farmers who have virtually been bankrupted since 1920 in these 15 States alone. * * *
>
> We pledge a complete house cleaning in the Department of Justice, the Department of the Interior, and the other executive departments * * *.
>
> We pledge recovery of the Navy's oil reserves and all other parts of the public domain which have been fraudulently or illegally leased or otherwise wrongfully transferred to the control of private interests * * *.
>
> We favor public ownership of the Nation's water power and the creation and development of a national superwater power system and strict public control and permanent conservation of all the Nation's resources, including coal, iron, and other ores, oil, and timber lands, in the interest of the people * * *.
>
> We denounce the Mellon tax plan as a device to relieve multimillionaires at the expense of other taxpayers * * *.
>
> We favor taxes upon excess profits to penalize profiteering, and complete publicity under proper safeguards of all Federal tax returns * * *.
>
> We favor the election of Federal judges by direct vote of the people * * *.
>
> We favor drastic reduction of the exorbitant duties on manufactures provided in the Fordney-McCumber tariff legislation; the prohibiting of gambling by speculators and profiteers in agricultural products; the reconstruction of the Federal reserve and Federal farm-loan systems so as to eliminate control by usurers, speculators, and international financiers, and to make the credit of the Nation available upon fair terms to all and without discrimination to business men, farmers, and home builders * * *.
>
> We favor abolition of the use of injunctions in labor disputes * * *.
>
> We favor adjusted compensation for the veterans of the late war, not as charity but as a matter of right, and we demand that the money necessary to meet this obligation of the Government be raised by taxes laid upon wealth in proportion to the ability to pay, and declare our opposition to the sales tax or any other device to shift this obligation onto the backs of the poor in higher prices and increased cost of living.
>
> We favor a deep waterway from the Great Lakes to the sea, thus making the primary markets on the Great Lakes equal to those of New York * * *.
>
> We favor such amendments to the Federal Constitution as may be necessary to provide for the direct nomination and election of the President, to extend the initiative and referendum to the Federal Government, and to insure a popular referendum for or against war except in cases of actual invasion.
>
> We denounce the mercenary system of degraded foreign policy under recent administrations in the interests of financial imperialists, oil monopolists, and international bankers, which has at times degraded our State Department from its high service as a strong and kindly intermediary of defenseless governments to a trading outpost for those interests and concession seekers engaged in the exploitation of weaker nations, as contrary to the will of the American people, destructive of domestic development, and provocative of war. * * *

As Mr. COOPER concluded his remarks, the regular routine of the convention went on. The majority platform was overwhelmingly adopted. The President was renominated and the convention adjourned.

But in the memory of every person who attended that convention, a lasting impression was carried away. It was a picture of a finely featured, tall and erect, white-bearded man, 74 years of age, who had dared to stand against the almost unanimous opposition of that convention and had left the individuals within that convention hall with a feeling of "almost thou persuadest me, Paul"; a man who, despite the fact that he had been during most of his public life a voice of protest against the policies of the majority,

had nevertheless been the means of forcing that majority to enact into law many of the measures that he had sponsored. A man who, despite the weight of three quarters of a century, was still looking into the future with prophetic clarity of vision and seeking to force upon a reluctant majority those measures of reform which he believed essential to the preservation and well-being of the Republic.

It was six years later that Mr. COOPER told me that even then he was receiving mail from people in various parts of the United States, whom he had never met, but who desired to recount the incidents of that evening and to again live over with him that brief moment of color and drama at the Republican National Convention of 1924 when he had stood as a prophet of the future espousing the cause of the underprivileged many whom he had loved so well and served so long.

The people who were privileged to hear Mr. COOPER on that occasion carried away with them a picture of him that his constituents in the first district of Wisconsin had formed through half a century of contact with this ideal public servant.

Mr. NELSON of Wisconsin. Mr. Speaker, when death claimed HENRY ALLEN COOPER from our midst his fellow Members of the House of Representatives realized deeply that they had lost a truly conscientious patriot, a scholarly gentleman, a valuable friend, and a good man.

To pay tribute to men who have passed to the great hereafter is easy; but to be the recipient while living of such appreciation and high commendation as was consistently accorded to Congressman COOPER is a rare privilege. Time after time his constituency showed their estimation of his worth by reelecting him as their Representative to Congress—18 terms in all, 36 years. To his colleagues he was one of the most beloved men that ever sat in the House of Representatives.

Mr. COOPER's popularity did not bespeak a passive acquiescence nor an easy docility. On the other hand, his usual rôle was that of active allegiance to a small minority in some cause that he felt to be right. Even before he came to Congress, while serving in the Wisconsin Legislature, he fathered the Australian ballot in that State. He sponsored this system of the secret ballot as a means of doing away with the evil of purchasing and controlling votes.

Soon after his coming to the House of Representatives he was appointed to the Pacific Railways Committee. A bill for the refunding of the debts of the Pacific railroads to the Government was up for consideration. Convinced of the corruption and greed on the part of a certain handful of directors of these western roads, he led an extended fight in the interest of the Government and of the common people. He exposed in speeches before the House thefts of hundreds of millions of dollars by these directors in voting themselves the actual bona fide stock and paying construction companies and those who worked with pick and shovel only watered stocks based on fraudulent and fictitious capitalization. Mr. COOPER, despite his being a young Member, had the courage to say that these directors "acted in flagrant violation of the rights of the Government" and of its laws. He dared to stand by his own measure of what his honor considered right, even to refusing for himself and three colleagues a bribe of $100,000 if he would withdraw from the battle.

Mr. COOPER was active in the fight in the House to break down the autocratic power known as Cannonism. Into this, as into all other issues, he entered fearlessly, but with such grace and good judgment that, though he differed with the political sentiment of his own district, which was largely conservative, and with the views of many of those with whom he labored in Congress, he convinced all thoroughly as to his sincerity of purpose to follow right as his own conscience revealed it to him. Personal advancement or party loyalty did not loom as large in his view as human rights. Probably the most dramatic episode in his career was when he went before the Republican convention, in 1924, to plead for the adoption of the La Follette platform of progressive principles. There were hisses and jeers. But after Mr. COOPER had spoken but a few minutes the hall rang with cheers.

We are all familiar with the gentle dignity, the high ideals, the commanding personality, the delightful good-fellowship of our late dean of the House, Mr. COOPER. He served continuously in Congress from 1893 to 1931, with but one lapse, 1918–1920. The cause for his defeat for this one session was that he fearlessly voted against the war. His political enemies circulated false and misleading statements impugning his loyalty. The Clerk of the House, William Tyler Page, whose length of service in that body, in various capacities, had far outdistanced Mr. COOPER's, presented the splendid record of achievement Mr. COOPER had made, commended his outstanding faithfulness in attendance on the sessions of the House, and completely annihilated this circular of misrepresentation and malice. Of him he said:

> Every act and vote since our country went to war has been as patriotic as that of the President himself.

When, in presenting the progressive platform to the 1924 Republican convention, he advocated a referendum in the case of war, that great audience cheered him vigorously. Representative COOPER was a lover of peace. Early in his career he denounced "war's glorious but bloody and cruel triumphs."

He was the first chairman of the Committee on Insular Affairs. President McKinley asked Speaker Henderson to appoint Mr. COOPER to this position, giving as his reason that he wanted "no exploiting of those islands." The Filipino people never had a more loyal defender in America. He was largely responsible for the passage of the first organic act of July 1, 1902. The day before the debate in the House on the bill to permit the people of the Philippines to elect their lower house of the Philippine Legislature he came across the Philippine martyr-statesman Rizal's poem "Farewell." There had been much opposition to the bill and only three of the committee supported Mr. COOPER. When he read the poem to the House in his own masterful way there were a few minutes of silence and then the House broke out in an uproar of applause and rose to honor him. The bill passed. To-day there is a bridge in the Philippines that bears his name, but his memory, says a Resident Commissioner from the Philippines, "will live forever in the hearts and minds of every Filipino of this and future generations." Flags hung at halfstaff in the Philippines when this loyal friend of freedom had fallen asleep, to rise and champion their cause no more.

I was glad to tell my friend HAL COOPER how he elected me to Congress. Comparing Mr. COOPER's record with that of my opponent, I saw where he had voted right and my opponent had not. It was easy to see that Mr. COOPER was a safe guide to follow. This gave me my issues on which I stood in the campaign, and much of my direction since. During our long and delightful service together in the House I often found that his was good and wise counsel. In the pressure of business or on questions difficult to decide I would say, "Hal, how are you voting?" I never found that he gave me wrong advice. He was guided by high moral principles, always to be depended upon. He studied carefully every angle of legislation, and then voted in the interest of the greatest good, irrespective of who or what party supported it.

Mr. COOPER loved the finer things of life. He was a musician, a composer, a classic scholar, and an orator. His memory was unique. Facts stored away in his mind remained there. He could with great ease quote dates, references, long passages of poetry or prose. When Mr. COOPER spoke, people were eager to listen. In the House shortly before his death he sponsored a bill relative to the designation of one of the streets of Washington, D. C., as Constitution Avenue. Following his impressive address in support of this bill the Members rose in enthusiastic tribute to his marked eloquence.

This avenue connecting Arlington with the United States Capitol is itself symbolic of Mr. COOPER's life. His patriotism was ever in closest harmony with his sense of duty. It was an unbroken chain of high ideals and faithful service.

Then "God's finger touched him," and now he, too, sleeps.

Mr. SINCLAIR. Mr. Speaker, the close of the life of HENRY ALLEN COOPER must have been just as he himself would have ordered it. His work for the Seventy-first Congress was finished, and the Seventy-second Congress, to which he had been reelected, was nine months in the future. The honors of his State and district were fresh upon him, and all of his years were a shining record of achievement for the cause of humanity. Surely, there could be no more appropriate time to lay down the burdens of a busy life!

Thirty-four years had he served in the House of Representatives, and was the dean of that body at his passing. No man in recent times had a finer record nor enjoyed the friendship and respect of his fellows to a greater extent than he, and few there were who possessed in so marked a degree all of the physical habiliments of a statesman. Tall and handsome, with leonine expression, he fulfilled every concept of the "noblest Roman of them all."

My associations with Mr. COOPER were during the last 10 years of his life, although I had read a great deal of his activities prior to that. It was inspiring to see the righteous anger flashing in his eyes when he would learn of some new act of oppression by those seeking special-interest legislation. His life was devoted to the relief of the weak and against the encroachments of the strong. He was ever the ready champion of the poor man and the toiler, and never ceased to do battle for the great principles of liberty and equality on which our Government is founded. If there ever was a valiant defender of the Constitution of the United States, based on a sincere love and understanding of its principles, such a defender was HENRY ALLEN COOPER. His every legislative act was in furtherance of the principles of that great governmental document.

Mr. FREAR. Mr. Speaker, HENRY ALLEN COOPER was a distinguished Member of the House of Representatives in the full meaning of that term for more than a third of a century. The span of an average lifetime found him here during every session, as punctual in attendance as the Speaker of the House, as active and useful in his service as any Member of this great parliamentary body.

This was his legislative home. Little escaped him during the long life spent within these walls that saw many Speakerers come and go during years that covered the rapid development of a great nation, the history of two American wars, and witnessed every phase of legislative enactments during his long, useful, and highly honored career.

True to himself, faithful to the highest ideals of government, intensely patriotic, scorning deception or its appearance, our loved colleague measured up to the full stature of high statesmanship.

Crisp, Reed, Henderson, Cannon, and Champ Clark were among the eminent men who occupied the Speaker's chair during that period, and the last Speaker who followed him closely to his eternal rest, Longworth, with the others, was among COOPER's loved friends and associates.

Cleveland, McKinley, Roosevelt, Taft, all came on the scene as national leaders during COOPER's earlier legislative service, and it is disclosing no confidence when saying that these Presidents, and others in later years, consulted with him on matters of national importance. Able men in their high offices, so, too, was COOPER in the legislative arena.

From his successful law practice this well-equipped, highly cultured, gifted statesman stepped to the senate of his native State, where he had placed the Australian ballot and other notable legislative acts to his credit, and then came to this House of Representatives, which he deemed the greatest parliamentary body in the world.

Here he was long to remain the center of the arena, surrounded by a coterie of friends, friends who knew him and loved him for his strong character, splendid personality, and rare quality of humor for which he was justly famous. Others may speak of his well-known legal and legislative abilities, of his high ideals, integrity, and strength of purpose that marked a long and useful public career, but he possessed also a marvelous sense of humor and quick grasp of proportions that often brought order out of bitter disagreements by a sudden quip or clever illustration which rarely failed to relieve the tension. That phase of his mental equipment disarmed opponents and helped arrive at mutual settlements of personal and legislative controversies.

His was a charming personality; a musician and modest composer, a student of history, of men, and above all of nature, who loved the trees, flowers, and living things; a delightful companion, sought by all who were benefited by his friendship.

Whether the center of a small circle of colleagues or in the heat of legislative debate or speaking to thousands of critical auditors at national political conventions, COOPER was ever master of the situation. This was equally true when leading hosts to victory or championing the cause of a small group, like himself sincere advocates of a cause. Numbers or surroundings were equally unimportant to the man who had a message and never failed to voice it effectively and convincingly.

Powerful in advocacy of any cause he espoused, he scorned hypocrisy and cant, striking squarely; but by respecting his opponents' rights he was equally admired in debate by friend or foe. These outstanding qualities, so desired by the average legislator, were possessed by COOPER to a marked degree.

His field of work and wealth of human sympathy led him frequently to speak for the rights of the oppressed, irrespective of creed, condition, or color. The struggling Filipino, who had been wrested from Spanish control by the guns of Dewey's fleet, was always near his heart. President McKinley's high estimate of our colleague was evidenced by his selection of Representative COOPER as chairman of the first Philippine Committee, of which Henderson, Joe Cannon, and other able chairmen of committees, then in the House, were members. That committee made a survey of the Filipino people and their needs, and after a study of conditions in the Philippines laid down a legislative program which gave these people a large part in their own government, fitting them for the independence so dearly coveted by the people of every land.

Others may recount the many struggles and victories won in debate and legislative accomplishments of our colleague, but I seek only to give a brief pen picture of a personal friend, of a truly lovable man, great in political prosperity or adversity, or indomitable courage and fine personal character. For nearly a score of years I was associated with his work and remained near him during the closing of an eventful life, even to the day when, as the highly honored dean of the House, he passed away, in legislative harness to the last, as he would have had it.

His loved wife and helpmate was his constant companion, always at his side, giving advice and encouragement to her brilliant, distinguished husband.

On the day of his death, apparently in good health, with a well-rounded fourscore of years to his credit, I sat with him during a session of the House and again congratulated him on the successful effort to make Constitution Avenue a lasting and beautiful monument to his memory. That and many other acts in the beautification of Washington came from his understanding of its needs, due in part to membership on a congressional committee appointed in 1920 by Speaker Clark. A lover of fine arts, of Washington's rapidly developing power and beauty among the great capitals of the world, appreciating its possibilities of attractiveness through nature's gifts and the Government's pride of ownership, COOPER was always at his best when picturing the limitless possibilities of the Nation's Capital, of which he seemed a part.

That same evening I was called to his deathbed. Eulogies have been and will be pronounced that stir the hearts of men, and many were uttered here and at the service held in his Wisconsin home, but the highest honor accorded our distinguished colleague was when his little home city was crowded with friends, who stood for miles with uncovered heads, testifying by their mute presence that they, like ourselves, had lost a trusted adviser and loved friend.

Mr. PEAVEY. Mr. Speaker, more than 50 years ago there appeared on the scenes of Wisconsin politics a new figure—HENRY ALLEN COOPER—a young lawyer then a candidate for district attorney of Racine County. His successful cam-

paign and election marked the beginning of a career dedicated to public service which stands out in the history of American public life. Possessed of a keen intellect, a rugged honesty, and a passionate sympathy for the oppressed and downtrodden, this young lawyer soon developed a reputation that six years later won for him the nomination and election to the State senate.

There he framed and secured the enactment of the secret ballot law of Wisconsin. For 40 years it has remained the keystone of the election machinery in the State, and the fact that many other Commonwealths have copied it constitutes the highest compliment to the statesmanship of its author and sponsor. Mr. COOPER served through the administration of Cleveland, McKinley, Roosevelt, Taft, Wilson, Harding, Coolidge, and for two years in the Hoover administration; always representing the liberal view and devoting his untiring energies and great abilities to carry on the struggle for those less fortunate.

Mr. COOPER was made chairman of the new Committee on Insular Affairs after the United States had acquired the Hawaiian and Philippine Islands, at the direct request of President Roosevelt. He selected Mr. COOPER in preference to Members who had seen many more years of service and who had greater claims to this high honor, because he knew HENRY ALLEN COOPER would devote all his energies to safeguard and promote the welfare of the peoples of these islands. From that time forward he never ceased his efforts to break down the chains of oppression binding these people.

During the era of the Great War, when hysteria and intolerance swept the land, searing the love man bore for his neighbor, threatening to engulf all those who had the temerity to oppose the awful carnage then sweeping Europe, HENRY ALLEN COOPER braved the storms and stood on the floor of the House, raising his voice in opposition and warning:

> I am not an anarchist and I do not believe in the abolition of organized government, but if there ever was a time in the history of the human race when men ought to possess common sense and the power to discriminate and reason, it is now in the Republic of the United States.

On the eve of the declaration of war he rose on the floor of the House, and, in a voice shaking with emotion, he uttered these prophetic words:

> Gentlemen, if we pretend to statesmanship we must try to see all sides of great questions. The destruction of England would be a great calamity, and the world ought never to permit it. So, too, the dismemberment of Germany would be a world calamity, and the world ought never to permit that. I pray that the neutral nations may in combination find some way speedily to bring this horror to an end.

Possessing deep convictions that the highest statesmanship required the exercise of the right to express his views, and to vote his deliberate judgment on economic issues before Congress, he bitterly assailed the boss-ridden and caucus-ruled party régime exemplified by Speaker Cannon. He said:

> I was bred in a school of politics which taught that any man anywhere in this Republic had a right to his honest opinion and a right to be heard when he wished to express it.

And again:

> I deny here and now that any number of men, say 51 out of 100 at a caucus, two more than a majority or any other caucus majority, have the authority under any circumstances to control my vote against my well-considered honest judgment.

Because he helped break the rules under which the membership of the House was denied the right to exercise its free will, he was removed as chairman of the Insular Affairs Committee, a position which he held at the instance of the titular head of his party, the President of the United States.

With Mr. COOPER it was never a question of, "Is this approved by the leaders? Is it in the party platform? What has the caucus done about it?" but rather, "Is this measure in the interests of the people of my country?"

The death of Mr. COOPER ended a career worthy of emulation. His life and work run like a golden thread through the history of his country. I commend it to the Nation.

Mr. SCHNEIDER. Mr. Speaker, the Grim Reaper has visited these halls again, this time to carry away with him the life of one who was loved by all of us, and one who was particularly dear to his colleagues from Wisconsin.

HENRY ALLEN COOPER served his district for 36 years. We have all bowed to him as the dean of this assemblage. I am sure his memory will live with us forever as that of an honest, upright, and strong character.

Mr. COOPER had been in public life since a very early age and had won the increasing admiration of all who were associated with him over the years. Nothing we can say here will add to the greatness of his life. We can but acknowledge it and determine to fit some of the traits of this shining character into our own.

He regarded his fight against the railroads early in his congressional experience as the outstanding event of his career in the House of Representatives. In the face of bribes, threats, and trickery, he stood immovable in defense of the public interest, and it is generally accepted that but for the position he took on the floor of the House at that time another great public-land steal would have been accomplished.

Another high light of his career was the appointment given him by President McKinley to study conditions in the Philippines shortly after they came into our possession. Mr. COOPER was largely instrumental in establishing the system of self-government which was worked out for the Philippines and which has met the needs of those islands admirably since adoption. The gratitude of the Filipinos for this service and his interest in their problems was expressed by the delegate from the Philippines on the day of his death.

Politically Mr. COOPER was a sound progressive. He was never afraid to oppose the interests who sought to perpetuate the established order to their own advantage and the disadvantage of the public. It may be said of him that he was never to be enticed from the path of service and strictest honesty in the performance of that service.

Mr. COOPER was a man of strong sympathy, brilliant intellect, and possessed of an astounding memory. His ability to absorb details and retain them was truly nothing short of amazing, and this characteristic was present even to the end. It is indeed seldom that we find a man of Mr. COOPER's age who can picture the events of his childhood and early manhood with the vividness with which he recalled them. He committed literature to memory with the greatest ease. An enthusiast for Shakespeare, he was able to recite extensively from those plays. This served to embellish his writings and his speeches, and many of them are literary masterpieces. The last speech he made in this Chamber sent the thrill of patriotism surging through the veins of everyone who heard it. It was a simple appeal to change the name of B Street in Washington to Constitution Avenue, but he used the occasion as a vehicle for an address as stirring as any I have heard on this floor.

Mr. COOPER was an intense lover of the beautiful. In fact, it may be said his was a tremendous affection for everything fine and beautiful. This expressed itself in an appreciation of all the fine arts. He was a great lover of nature and a composer of music.

One of Mr. COOPER's great interests was the development of the National Capital. But for his interest in this city we might not have the Lincoln Memorial. His insistence upon the erection of an appropriate monument instead of the construction of a highway from Washington to Gettysburg resulted in the erection of the impressive memorial we are all so very proud of to-day.

For intellectual ability few were his peers, and as to integrity none were. With his great appreciation for the fine things in life went a large understanding of and sympathy for the masses of the people. Truly, HENRY ALLEN COOPER has built a place for himself among the great.

Mr. HAUGEN. Mr. Speaker, I rise at this time deeply impressed with a sense of recollection of my long association here in the House of Representatives with the late HENRY ALLEN COOPER, of the first district of Wisconsin, and it is with pride and pleasure that I pay my tribute on this occasion to his memory.

Mr. COOPER represented the first congressional district of Wisconsin, which includes Rock County, where I spent some of the happy days of my early life, and his being elected to the Fifty-third and each succeeding Congress up to the Sev-

enty-first, with exception of the Sixty-sixth, is evidence of a convincing nature of the remarkable regard in which he was held. During his long service in the House it was my pleasure and honor to come in close and frequent friendly contact with him, and, as the years rolled on, I came to realize why his constituents honored him by repeatedly electing him to office, and why he was held in such high esteem by his many friends, and why it may be truly said that his public service was a notable contribution to the welfare of his State and country.

Mr. COOPER had and displayed those sterling qualities which we love to see, his genial disposition, keen intellect, noble character, and experience in legislative work, coupled with his patriotic, active, and effective public service, his unswerving and unusual devotion to truth, to the best interest of his State and Nation, always evident in his performance of public duty, naturally won him distinction and many friends.

In closing, may I say, "Truly the world was better for his having been in it."

Mr. FRENCH. Mr. Speaker, I believe it was the great bard who said, "When sorrows come, they come not single spies, but in battalions."

The last year has witnessed the passing of an unusually large number of able, distinguished Members of the House of Representatives. Among those who passed on was the late HENRY ALLEN COOPER, who for many years represented, with a high order of ability and distinction, the first congressional district of Wisconsin.

HENRY ALLEN COOPER was a Member of the House of Representatives when I came to this Chamber. Gracious, friendly, interested particularly in those who were entering upon a life of public service, Mr. COOPER soon became my personal friend and one upon whom I could rely and with whom I could exchange thoughts touching the multitude of heavy problems that have confronted our country and the Members of the Congress during the last quarter of a century.

The House of Representatives is a body that with fair accuracy appraises the worth of its Members. For one to attain highest success in this Chamber he must have unusual industry, he must be well informed, he must be accurate in his observations, he must be definite in his conclusions, he must be kindly toward his associates, and probably more than anything else, he must be possessed of mental and soul integrity.

Our late colleague possessed these qualities in most unusual degree. His personal habits were simple; his instincts and interests had to do with the masses of people of our country who are not in position to help themselves. It seemed to be his conception of the state that it exists for the purpose of carrying into actuality the high purposes that surrounded the establishment of our country, namely, its creation to promote equality and justice toward all, and with an apparent consciousness that there are millions of our countrymen at all times who are dependent upon the state itself for the translation of these purposes into vital factors.

During my membership in the House of Representatives there have been few Members who have been so widely read, so well informed upon so great a variety of subjects, so capable at all times of marshaling data and logic in support of conclusions, and of giving to their hearers in forceful, pleasing, and convincing style the results of their experience and their analysis of problems that they chose to present as HENRY ALLEN COOPER.

Probably the most outstanding characteristic of our late colleague was his frankness and his demand for frankness and candor upon the part of those who are entrusted with responsibility. Earnest and fearless himself, he seemed to be controlled in his demand for highest probity upon the part of others by the thought that in the language of another has taken this form: "Hateful to me as are the gates of hell is he who hiding one thing in his heart utters another."

In conclusion, the life of HENRY ALLEN COOPER briefly outlined in the words that I have used must continue to be an inspiration not only to the people of his district but to the membership of this body and to students everywhere who love honor, who love integrity, who love sincerity, and who are inspired by unselfish devotion on the part of a citizen as he seeks to serve the people as they constitute the state.

JAMES BENJAMIN ASWELL

Mr. OVERTON. Mr. Speaker, on March 16, 1931, in the tenth term of his service as Congressman from the eighth congressional district of Louisiana, at the very height and zenith of his wonderful public career, Dr. JAMES BENJAMIN ASWELL, educator, statesman, orator, passed from mortal into immortal life.

For over 18 years he had constantly and actively served his district, his State, and our Nation in these Congressional Halls. Now that he has passed into the silence and inaction of the grave, it is proper that we, the living, should assemble in this supreme shrine of his public devotion to pay to him and his memory the tribute of our memorials.

Doctor ASWELL was born December 23, 1869, on a farm in Jackson Parish, La., issue of the marriage of Benjamin Aswell and Elizabeth A. Lyles. He was married March 3, 1901, to Miss Ella Foster, of Shreveport, who survives him, together with two children, Mrs. James Edward Cantrill, of Lexington, Ky., and James B. Aswell, jr., writer and journalist, a resident of New York.

Doctor ASWELL showed in his early youth that resolute courage and indefatigable energy which enabled him to cope with and overcome the difficulties of life and which later made him one of the most outstanding men in the history of Louisiana.

Notwithstanding the poor opportunities afforded him for elementary education, he worked his way through school and equipped himself to enter the George Peabody College for Teachers, from which he graduated in 1892. He later received the degrees of A. B. and A. M. from the University of Nashville and the degree of LL. D. from the University of Arkansas.

Doctor ASWELL determined at the threshold of his young manhood to devote his life to the service of humanity. This high resolve was his constant incentive and ambition in his long career of public usefulness. There does not appear in the pages of Louisiana's history one who has served his State and its people with greater zeal and in more varied capacities than Dr. JAMES B. ASWELL.

Beginning his career as a teacher of youth, his ability as a public educator was speedily recognized, and his thirtieth year found him presiding over the Ruston Industrial Institute, now the Louisiana Polytechnic Institute. After devoting four years to that institution, he was by public acclaim drafted to serve as superintendent of education in Louisiana. So brilliant and successful was his work in that office that he has been frequently referred to as the father of the modern public-school system of Louisiana.

Having built up the Ruston Institute and the public-school system of his State, he next directed his remarkable faculties and tireless energy to the training of teachers, becoming in 1908 president of the State Normal College, located at Natchitoches, La.

During these years of service in various capacities in the cause of education his interest in public affairs generally had so broadened and his ability as a public speaker had become so recognized that again popular demand drafted him to another and larger field of service, and he was elected in 1912 to serve in the Halls of our National Congress. The most conclusive evidence, perhaps, of his ability as a statesman and the popular esteem in which he was held lies in the fact that from 1913 to the time of his death he remained constantly in Congress as the idolized Representative of the people of his district.

Time will not permit me, Mr. Speaker, to even chronicle the items of his varied and multitudinous activities in the legislative councils of our Nation. Every CONGRESSIONAL RECORD from the Sixty-third Congress in 1913 to the Seventy-second Congress in 1931 is replete with the evidences of the broad statesmanship, the brilliant oratory, and the convincing logic of the Representative from Louisiana's

eighth district. The United States veterans' hospital at Alexandria, La.; Federal buildings, national forest reserves, fish hatcheries, Federal flood control stand as monuments of his service to the people of his district; and his strenuous battles upon the floor of the House of Representatives for farm relief and national drought relief attest his vigorous and successful efforts in matters of national import.

Doctor ASWELL died, as he had lived, in the enjoyment of the unstinted admiration, confidence, and affection of the people of his district and State, and of his colleagues and coworkers in our National Capital, from the President of our Nation to the humblest clerk in its executive departments.

His high and useful service to his country will long endear him in the public memory.

This is the spontaneous and deserved tribute that fell from the lips of the present occupant of the White House upon the announcement of Doctor ASWELL's death.

In this commemoration of the life and service of our departed colleague we should be lacking in proper sentiment if our thoughts did not revert to those bound to him by the ties of nature and the fond associations of home and family, to the loving wife and devoted son and daughter, who "yearn for the touch of a vanished hand and sound of a voice that is still." We can not at this hour offer them a sweeter, dearer consolation than that which springs from a firm faith in the immortality of the soul and the divine assurance of an eternal union beyond the grave. And, apart from the assurance vouchsafed to humanity from on high, it may be truly said that, when death comes, the most consoling and the strongest conviction of the immortality of the soul and an eternal reunion is the immortality of love, which embraces faith and hope alike, which stands for the brotherhood of man and the fatherhood of God, and binds all humanity to the throne of the eternal loving Father.

Mr. MALONEY. Mr. Speaker, regardless of the paths along which we are destined to make life's journey, we are certain to experience moments of joy and sorrow. Joys that inspire us to carry on with renewed effort in our undertakings and sorrows that cause us to reflect and to become disheartened.

Mr. Speaker, this day has been set aside and dedicated as memorial day, in order that we may pay tribute to the memory of those colleagues who departed this life during the past year. I bowed my head in sorrow and reflection as I listened to the names of those men whose presence so short a while ago graced this Chamber in the discharge of their public duties and whom the Father of all time has removed from our midst. Although their voices are silenced and they mingle no more with us in the body, the inspiration of their life's work still carries on.

Mr. Speaker, in this list of the illustrious departed is the name of one of Louisiana's distinguished sons, JAMES B. ASWELL, a man who devoted his entire life to the uplift of his fellow men; a man who was repeatedly honored by the citizens of his State and whom Louisiana in 1913 sent to this august body, where he served continuously until the time of his death. He was the dean of our delegation, by which he was held in high regard. He served fearlessly, faithfully, and capably not only the people of his State but of the entire Nation. His energy and ability were of great assistance to this country in solving many of the problems that arose during the period of the last war. After the war he continued as an indefatigable worker for the restoration of normalcy in the Nation. He was the farmers' friend and gave much of his time to the solution of agricultural problems. He was engaged in the last-named work, which was nearest his heart, when he was taken from us. His public service was an honor to his State and a credit to himself. He was a devoted son, a loving husband, and an affectionate father. He was a tried and true friend. To know him was to love him.

Whatever vales we yet may wander,
What sorrow come, what tempest blow,
We have a friend, a friend out yonder,
To greet us when we have to go—
Out yonder some one that we know.

Mr. MONTET. Mr. Speaker, it is with a deep feeling of sorrow and a keen sense of regret that I endeavor to pay a tribute of admiration and respect to the memory of my colleague and friend the Hon. JAMES B. ASWELL. I am overwhelmed with sorrow because I have lost a warm personal friend, and I regret that Louisiana is deprived of one who was always devoted to the interests of his State and his people. His record in the House of Representatives shall always live as an eternal monument to his memory. He possessed a brilliant intellect, a magnetic personality; handsome and of striking personal appearance, fluent and forceful in speech, invincible in debate, and courageous in his convictions, he combined all of the elements of a legislator capable of leaving his imprint upon this historic body.

He had the broad culture necessary for the comprehensive grasp of high principles, a keenness of intellect that enabled him to reach proper conclusions, and the conscience to demand that the principles in which he believed be applied to administration. He fought for the public weal, even though his actions were in conflict with his personal welfare. He was a strong, patriotic citizen. His actions were guided and directed by his loyalty and his earnest desire to serve well his country and State. One of his outstanding characteristics was his devotion to duty. I know of no public man of our day who served so zealously and more willingly for his constituents. He sacrificed his very life to carry out their expressed wish.

In the passing of my friend Louisiana has lost a great citizen and our Nation has lost a patriotic statesman. He was elected to serve his people; he performed his duties admirably; he did his work nobly; and it is with profound sorrow that we of the Louisiana delegation mourn his untimely death.

Mr. WILSON. Mr. Speaker, our deceased colleague JAMES B. ASWELL, whose memory we honor to-day, was born in Jackson Parish, La., December 23, 1869. He was the son of Benjamin W. and Elizabeth Lyles Aswell.

The father, an honorable and patriotic citizen, was a soldier in the Confederate States Army. His mother, the charming director of a simple home, still the foundation and hope of genuine progress and advancement of the human race.

His first educational training was in the country public schools of his home community and State. After a college course at Arcadia, La., he was awarded a scholarship to the George Peabody College for Teachers at Nashville, Tenn., from which institution he graduated with honor and distinction. He also received degrees from the University of Nashville, the University of Arkansas, and recognition from other noted educational institutions. On account of such merited and deserved honors, he was properly termed Doctor ASWELL.

While his life presents an unusual record in lines of usefulness, the outstanding accomplishments of Doctor ASWELL were as an educator and a statesman. To become noted as either is an honor; to advance to leadership in both is a distinction coming only to a few.

Whether it be in the 1-room country school or the college, his record as a student is remembered by his associates. As an instructor or executive in such institutions, his leadership was gladly followed by his coworkers.

As president of Louisiana Industrial Institute, now Louisiana Polytechnic Institute, at Ruston, La., and president of the Louisiana State Normal College, at Natchitoches, La., and as superintendent of public education in his native State, he planned and formulated the basis of the system of public education by which Louisiana ranks among the first States of the Union in this important field.

From close and cherished relations with our departed friend, I would say that if he should be listening in to-day on this memorial service, he would prefer that his work and career as an educator be given first rank in the records of his public service. And why not? The safety and security of a democracy rest upon the training and equipment of the youth who must constitute its mature citizenship and assume all responsibility for its religious, social, private, and official life.

During his 18 years in Congress as Representative from the eighth congressional district of Louisiana, Doctor ASWELL established a record of public service comprising in all respects the highest qualities of statesmanship.

Complete devotion to and aggressive action for the promotion and advancement of every problem and interest affecting his own congressional district, his native State, and the Nation at large established for him recognized leadership in the Congress in respect to some of the most important problems demanding solution by national legislative action. Due to the length of his previous service, in the Seventy-first Congress he was advanced to the position of ranking minority member of the powerful Committee on Agriculture.

For the emergency farm-relief legislation made necessary by the unprecedented drought disaster of 1930, Congressman ASWELL became the leader, the sponsor, and the author. In September, 1930, I came to Washington at his request to assist and cooperate with him. I therefore know personally of his plans and work, the foundation for the results obtained.

The fact that the world-wide depression, affecting every phase of industry and agriculture, then unforeseen, has made it necessary to continue financial assistance to farmers by the Federal Government, again emphasizes the outstanding service rendered by JAMES B. ASWELL.

Other instances of leadership could be given. The people of Louisiana know his record, realize the immeasurable loss sustained, and join us to-day in the tributes of honor to his memory.

The untimely passing of our beloved and honored colleague was due to burdens of overwork. He had been advised and cautioned of this. But with determination for service to his people, unfaltering Christian faith and devotion to his loved ones, he continued forward and passed quietly on, still in the battle and on the front line. What a privilege!

NICHOLAS LONGWORTH

Mr. HOLLISTER. Mr. Speaker, I well know that there will be offered by various of my colleagues many eulogies of the late Speaker. All of them will be by Members of the House of Representatives who served with and under him. I shall add my tribute from the point of view of one who knew him only outside of his official life.

Though NICHOLAS LONGWORTH was some years my senior, I can not remember when I did not know him. His home was near to mine in Cincinnati, and I well recall the admiration that I had, as a boy, for the attractive, debonair young man who had just been elected to Congress. As I grew older and came to know him better, I always looked forward to those times when he would come back to his home for extended stays between sessions of Congress, with intimate and interesting stories of the kaleidoscope of national figures and events.

When the late Speaker's sudden death came last spring, the whole community which had honored him for so many years by sending him to Washington, and which he had in turn honored by his career of ever-increasing service and prestige, joined with the Nation in its sorrow and in its desire to do honor to his memory. I myself mourned the passing of a real friend.

When I was selected by my party to stand for the vacant seat of NICHOLAS LONGWORTH I felt the honor keenly. It was more than being selected to run for Congress; it was being asked to succeed one of the great men of the Nation, and in this spirit, and with full knowledge of my own inadequacy, I entered the race. When my constituents saw fit to elect me, and I came, an ignorant neophyte, to Washington, it was the prestige and position which had been held by my distinguished predecessor which provided an open sesame to the friendship of my colleagues. I know well that it was because of their love for him that I was made particularly welcome in the Halls of Congress, and I am deeply appreciative.

NICHOLAS LONGWORTH was one man in a thousand. He possessed in a higher degree than I have ever seen in anyone an ability to understand and appreciate his fellow man. Everyone who knew him, no matter how slightly, felt him a friend. His tact, his good fellowship, his humor were proverbial. He knew when to laugh and when to be solemn. He knew that while at times the importance of national and international affairs must naturally cause them to be treated with the utmost seriousness, he also knew that the great saving grace of this life is an ability to laugh with and at the fates; and he realized keenly that no man, be he ever so great, should take himself too seriously. In this he typified an attitude which we should all cultivate, and when the call came was able "to greet the unseen with a cheer."

He was well educated, well read, quick and versatile in thought; and in addition he had a side to him which was not given to all to know. He had an unusual knowledge of and love for fine music, and many who knew him as a statesman or as a gay companion would have been surprised to see him staying up for hours late at night playing the violin with a group of musicians of the first rank and holding his own.

A fascinating figure has left his accustomed haunts, but the world is a more human and livable place because he lived in it.

Mr. HESS. Mr. Speaker, the passing of NICHOLAS LONGWORTH was for me a heartfelt personal loss. I esteemed him as an elder brother, a preceptor, and friend. I have heard that he was always willing to oblige the fledglings—the first-termers of Congress. Possibly, as a fellow townsman, he did more for me, and I am under many obligations to him for making smoother the rough spots. His advice was always unselfish.

It is a consolation that I showed my feeling for him during his lifetime. On one occasion, at a dinner given in his honor, I was invited also, and will read from my notes, luckily preserved, what I then said:

> I am especially pleased to be here to join you in doing honor to my chief, Speaker NICHOLAS LONGWORTH. He worthily fills the second highest position in the National Government. He has the respect of partisan foes as well as the affection of partisan friends. It is no small thing to guide the destiny of a House composed of 435 Representatives eminent in their respective localities, men of decided individualities, and yet NICHOLAS LONGWORTH does this and holds their general good will, because in all situations he is and remains the gentleman.
>
> I rejoice that the custom is growing to give to the living, flowers of speech and acclaim when they deserve them, and know of no one who better deserves such recognition than our fellow townsman, NICHOLAS LONGWORTH. For he's a jolly good fellow.

Those last words, "For he's a jolly, good fellow" may require some explanation, except to those who have experienced the charm of an evening with LONGWORTH as host. Mr. LONGWORTH was a lover of music—he rarely missed a good concert. He was a musician of great proficiency on the piano, violin, and organ. When at his ease among his intimates, he regaled his guests with song, story, and music, and there would ensue a "feast of reason and flow of soul," long to be remembered and cherished. He made friends easily and kept them.

He was a Member of the House of Representatives for 13 terms and elected for a fourteenth term. Those who served during the last three terms of Congress know he was the ideal Speaker. He had a thorough knowledge of parliamentary law and the rules of the House. On one occasion only was an appeal from his decision sustained on the floor, and later he had the satisfaction of having his original ruling become the action of the House on another measure. Rigidly impartial, his fair dealing was recognized by all, and at the close of each of his three terms as Speaker there was demonstration of good feeling in honor of Mr. LONGWORTH.

Who of us will ever forget the 4th of March last? Then Mr. LONGWORTH said, in part:

> I need not say that I am profoundly grateful for this demonstration of your affection. Perhaps this is the last time I will address you from this rostrum. [The CONGRESSIONAL RECORD interjects here "laughter and applause."]

Mr. LONGWORTH jocularly continued:

> I do not mean to insinuate that I regard it as a probability, but I must admit it as a possibility.

In serious vein he proceeded:

The decision lies with none of us here. It is a decision that lies with an all-wise Providence.

Slightly more than a month later he died.

I am not one of those who believe he anticipated his own death. Having received a unanimous party-caucus nomination for reelection as Speaker shortly before, he was directly referring prophetically to the deaths which might and have changed the political complexion of the House. He knew that such deaths occur between terms of Congress, and therefore his nomination did not mean his certain election to the Speakership.

True, his next sentence was:

With whatever Providence may decree I am abundantly satisfied.

This is a personal reference, but I take it as a confession of faith on the part of this Christian gentleman, and not as premonitory of his death. We can not forget his genial spirits when he delivered this farewell speech. Shortly thereafter he yielded to a draft and played for us the piano accompaniment to "Carry Me Back to Old Virginny." He was noticeably tired, but apparently in health.

The shock of his death was felt throughout the Nation. I learned of it by wireless at Cristobal, Panama, and it was my sad duty to transmit this first information to the officers aboard ship and at the garrison. Soon our flag was at half-mast and genuine sorrow was shown there and everywhere on my trip to the Pacific coast, reluctantly resumed after it proved impossible to journey to Cincinnati, even by airplane, in time for the funeral services.

Cincinnati has long cherished the name of LONGWORTH as one intertwined with its growth and progress from its early history to the present time. Cincinnati mourns the death of Speaker LONGWORTH as the loss of its most distinguished citizen.

Mr. DARROW. Mr. Speaker, announcement of the death of our beloved Speaker, Hon. NICHOLAS LONGWORTH, so shortly following the adjournment of the Seventy-first Congress, smote heavily with sorrow the hearts of his colleagues and legion of friends, and brought to me the shock of personal bereavement.

I desire to voice brief and humble tribute to this great public official and statesman, whose name will be prominently engraved in our Nation's history.

I had a deep affection for our late colleague, which only increased with the length of our association. I admired him for his kindly personal qualities and his high attainments, respected his sound judgment and decisions, and was happy to follow his leadership of Republican forces in the House.

The whole public career of NICK LONGWORTH was a splendid exemplification of the highest conception of service. He was the highest type of public servant it has been my privilege to know.

Especially did I admire his loyalty to the Republican Party and its principles, as well as his advocacy of sound party government. In this connection I often recall a speech he delivered before the Union League of Philadelphia on May 27, 1926, when as an introduction to a scholarly address on the virtues of party government, he said:

I hear you had an election here recently. Well, I am not here to comment on the result. I know the primaries sometimes leave heart burnings. I am not here to offer advice. I would not presume to do so. But I know what I would do in the circumstances. I would vote for every man nominated on the Republican ticket.

Dwelling further on the subject of party loyalty, he appropriately illustrated his point as follows:

The first thing I did when I left college was to join a political club. As a member of that club, I gained my first lesson in what a Republican organization ought to have: First, real cooperation, whether the individual attains high estate or not, and then firm loyalty.

I remember that as a member of the Ohio Legislature I went home to join my club in a parade. My train was late. I joined in the rear of the column and walked with three aged, diminutive men. We had the dust in our faces and the band was around the corner. I said to one of my companions, "Well, I don't like this." "Young man," he said, "I don't know who you are, but let me say this: I have been a member of this club for 25 years, and I have never missed a parade, and I have never heard the band play yet."

That—

Asserted Speaker LONGWORTH—

is the spirit that wins our victories.

Mr. LONGWORTH spoke highly in praise of service in the House of Representatives, and considered his position as Speaker as one of the highest honors to which a man could aspire.

There is no greater leveler in the world than the House.

He said.

It makes no difference what a man was, men are judged in the House by what they are and what they do.

The House is daily in contact with the people of the country, and so long as it may merit the confidence of the people, no real danger can come to the Republic we all love.

My closest contact with Mr. LONGWORTH was during the period of our service together on the Republican steering committee, of which he was chairman when majority leader and an ex officio member when Speaker. I always found him to be most genial and affable and possessed of a personality which made and kept friends. He was thoroughly versed in every aspect of government; and while not one of the country's outstanding orators, he possessed the fine art of convincing firmness and expounded his arguments in a manner that they could be readily understood and leave a lasting impression.

Mr. Speaker, the Nation mourns the loss of its outstanding public servant and statesman, and we who served with him here suffer from the lost opportunity of personal association with him and the benefit of his wise counsel and leadership.

Mr. NELSON of Wisconsin. Mr. Speaker, when NICHOLAS LONGWORTH laid down the Speaker's gavel for the last time, the country lost a great leader. Some men are astute politicians, some are scholars, some revel in the æsthetic, art, literature, music. Fortunate, but rare, it is that men are the happy composite of all of these. Such a man was NICHOLAS LONGWORTH.

His rise to the position of power, second only to that of the President of the United States, was conscientiously and meritoriously earned. Membership for four years in the assembly and senate of his State was the first step that enabled the 33-year-old "boy Representative from Ohio" to find a seat in the House of Representatives. Thirty-two years of public service in State and National office prepared him for the success that was his in the high office of Speaker of the House.

That his influence would be far-reaching was early demonstrated when he was a member of the Committee on Foreign Affairs. Intensive self-training and invaluable public good came out of his years of service on the Ways and Means Committee. He became an authority on matters requiring economic judgment—revenues, tariffs, and taxes.

In the rôle of floor leader, when for two years, 1923–1925, he steered the Republican Party through difficult times which threatened a serious split between progressives and conservatives, he exercised amazingly balanced political judgment, and achieved for that Congress an almost unprecedented legislative record.

My own relations with NICK LONGWORTH were always most delightful. We served in the House together more than 20 years. He came to the House one Congress before I did. In all my experience with him I found him always a man true to his word. He was frank and honest; and when he made a promise, he kept it.

Well do I remember when, at the beginning of the Sixty-sixth Congress, the progressive group held the balance of power. With Democratic coalition this group could overrule the Republican majority at any time. Mr. LONGWORTH had assumed leadership, but he was attempting an impossible task. Some of the conservative group had advised him to give up even trying to organize the House. An old fight for liberalization of the rules of the House had been carried over from the previous Congress. I was chairman of the progressive group and asked for a conference with Mr. LONGWORTH.

The result of this conference was a compromise which eventually led to many changes in the rules, more particularly to the discharge of bills from the committees. He was always fair, and tried to see the opponent's point of view, which was one of the reasons for his great popularity as Speaker.

When his name was presented for candidacy to the high office of Speaker, among the many reasons set forth in favor of his election were his 22 years of faithful service in the House, his profound study of legislation and parliamentary procedure, his unfailing diligence in attendance to the business of the House.

NICHOLAS LONGWORTH was a man of particularly engaging personality, which would have won him a place of honor and responsibility aside from his recognized ability. He possessed a delightful sense of humor, was an interesting and informed conversationalist, and a master of cogent and vigorous argument. He was unfailingly courteous to opposing opinion, and never indulged in discourteous remarks or caustic humor.

He had independence of judgment. It took courage in the campaign of 1912 to stand by his belief and for party allegiance in support of William H. Taft against his father-in-law, Theodore Roosevelt. He did it. It cost him a term in Congress.

Earnestly and zealously he upheld high standards of official conduct. He consistently strove to attain the ideals he expressed in the House on that December 7, 1925, when he took his oath of office as Speaker:

While my ambition to successfully perform the duties of the Speakership is high, I believe, as my personal ambition can be, I cherish also an ambition less personal in its nature which is even higher.

I want to effectively assist in bringing about universal recognition of the fact that the House, closer as it is to the people than any similar body and more directly responsive to their will, is in very truth, as it ought to be, the great dominant legislative assembly of the world. Thus we may rest assured that the Republic of the United States shall forever live and that popular representative government shall never die.

During the years of his able leadership, elected Speaker three times, he accomplished much in balancing the relationship between the two legislative branches of Congress, bringing them nearer the unity intended by the Constitution of the United States.

Ability and pleasing personality are great endowments. NICHOLAS LONGWORTH had both. It was said of him that his "death would cause more sincere grief among more people than that of any other man in public life" and that he had "more real personal friends than any other and would be missed in more ways by more different groups, and for a longer time."

Mr. MOREHEAD. Mr. Speaker, it was my great privilege to be a Member of the House of Representatives during the time when the Hon. NICHOLAS LONGWORTH served as Speaker of the House.

As a presiding officer, he was always fair in his rulings, universally liked by all Members regardless of politics. Although the presiding officer, he was always in sympathy and fair in his dealings with Members of all political faiths.

As evidence of the high esteem of his associates and friends, I include eulogies from the following individuals and official groups:

Concurrent resolution from State Senate and House of Representatives of the State of South Carolina.

Resolution by the Senate of the Territory of Hawaii.

Joint resolution of the One hundred and third General Assembly of the State of Delaware, by both houses.

Resolution by the House of Representatives of the Texas Legislature.

Resolution by the House of Representatives of the State of South Carolina.

Copy of telegram to the House of Representatives, Washington, D. C., expressing condolences on the death of Mr. LONGWORTH, by Dr. Quintin George, President P. S., Chamber of Representatives of the Republic of Cuba. (Through the Department of State.)

Joint resolution, House of Representatives of the State of Alabama, by Pete B. Jarman, jr., secretary of state, Montgomery, Ala.

Resolution by the house of representatives, Harrisburg, Pa.

Copy of cablegram quoting a resolution of condolence passed by the Senate of Puerto Rico, from the Hon. Luis Sanchez Morales, president of the Senate of Puerto Rico. (Through the War Department.)

Concurrent resolution

Whereas it has just been learned that Hon. NICHOLAS LONGWORTH, Speaker of the House of Representatives of the United States, died this morning, while visiting at Aiken, S. C.; and

Whereas because of his outstanding ability and the utter loyalty he has always shown in the discharge of his duties as a public officer the Nation as a whole has suffered a great loss: Now, therefore, be it

Resolved by the Senate of the State of South Carolina (the House of Representatives concurring), That the sympathy of the State of South Carolina be extended to the family of the Hon. NICHOLAS LONGWORTH in this hour of their great sorrow and bereavement; and

That a copy of this resolution be sent to Mrs. Nicholas Longworth and also to the United States House of Representatives.

A true copy:

[SEAL.]

JAS. H. FOWLES,
Clerk of the Senate of South Carolina.

THE SIXTEENTH LEGISLATURE OF
THE TERRITORY OF HAWAII,
THE SENATE,
Honolulu, Hawaii, April 10, 1931.

THE HONORABLE MEMBERS OF THE HOUSE OF
REPRESENTATIVES OF THE CONGRESS OF THE UNITED STATES,
Washington, D. C.

GENTLEMEN: I have the honor to transmit herewith Senate Resolution No. 28, which was this day adopted in the Senate of the Territory of Hawaii.

Very respectfully,

ELLEN D. SMYTHE, *Clerk of the Senate.*

Resolution—Senate Resolution No. 28

Whereas the sun has prematurely set on the life of the Hon. NICHOLAS LONGWORTH and he has passed forever from our mortal vision, although the memory of him and his accomplishments will linger with us always; and

Whereas we realize what a great loss his passing will be to the Republican Party and to the Congress of the United States, where he has been Speaker of the House of Representatives for the past six years, and where he has served as a Republican member over a period of 30 years; and

Whereas, ever since he entered politics, three decades ago, he has been recognized as a statesman without a peer; and

Whereas, he was a man whose heart was as big as his brain was brilliant, and whose thoughts were focused ever on the good he could do for others, regardless of the cost to himself; and

Whereas, we, the members of the Senate of the Territory of Hawaii are cognizant of the friendly attitude he has maintained toward this Territory, and whom many of us have been privileged to know personally and to have thus learned to appreciate his sterling character, as well as his eminent statesmanship: Now therefore, be it

Resolved, That we, the members of the Senate of the Territory of Hawaii, session of 1931, do by this means express our deep regret that his career has been brought to a close at a time when his highest ambitions and ideals were being realized; and be it further

Resolved, That we, the members of the senate here assembled, do extend to his widow, Alice Roosevelt Longworth, and to his family, our deepest sympathy in this, their hour of bereavement; and to extend the comfort of the thought of Longfellow that:

"There is no Death! What seems so is transition;
This life of mortal breath
Is but a suburb of the life elysian,
Whose portal we call Death."

and be it further

Resolved, That we do express to the House of Representatives of the Congress of the United States our sincere regret at the loss to them of their much loved and honored Speaker, who possessed the rare combination of the knowledge of and sympathy with mankind, coupled with his ability as a leader; and be it further

Resolved, That this resolution be adopted by a rising vote and that when the senate adjourns to-day it does so out of respect to the memory of NICHOLAS LONGWORTH—a man whose friends loved him and whose political enemies had for him the highest respect; and be it further

Resolved, That a copy of this resolution be transmitted to Mrs. Longworth and to the House of Representatives of the Congress of the United States.

THE SENATE OF THE TERRITORY OF HAWAII,
Honolulu, T. H., April 10, 1931.

We hereby certify that the foregoing resolution was this day adopted in the Senate of the Territory of Hawaii.

COBERT W. SHINGLE,
President of the Senate.
ELLEN D. SMYTHE,
Clerk of the Senate.

House Joint Resolution No. 9, expressing the sorrow of the General Assembly of the State of Delaware at the news of the death of the Hon. NICHOLAS LONGWORTH, the Speaker of the House of Representatives at Washington and a Member of that body from the State of Ohio

Whereas the General Assembly of the State of Delaware has just learned with profound sorrow of the death of the Hon. NICHOLAS LONGWORTH, the Speaker of the House of Representatives of the United States at Washington and a Member of that body from the State of Ohio; and

Whereas the deceased was not only recognized as an eminent lawyer but served the people of his State of Ohio on their boards of education in their State senate, and in many other positions of trust and responsibility at home as well as nearly 30 years in the Congress of the United States and was recognized by the people of the United States, irrespective of party affiliation, as one of the outstanding Americans of the age, and one who in his long and honorable service gave to the people of his State and country the benefits of a learned and efficient statesmanship; and

Whereas by the death of Mr. LONGWORTH the country sustains an irreparable loss: Therefore be it

Resolved by the Senate and House of Representatives of the State of Delaware in general assembly met, That the General Assembly of the State of Delaware by this resolution, in its humble manner, desires to express its sorrow at the great loss the country has sustained in the death of Mr. LONGWORTH and to extend to his bereaved family its sympathy in this hour of its great trouble; and

That a duly certified copy of this resolution be sent to the National House of Representatives and to his widow, Alice Roosevelt Longworth.

[SEAL.]

BUD COY,
Speaker of the House of Representatives.
DAVID HOLLEY,
Clerk of the House of Representatives.

HOUSE OF REPRESENTATIVES STATE OF TEXAS,
Austin, April 13, 1931.

Hon. WILLIAM TYLER PAGE,
Clerk House of Representatives, Washington, D. C.

MY DEAR SIR: On April 10 the House of Representatives of the Texas Legislature adopted the inclosed resolution expressing its sympathy and joining the American people in their grief at the death of Hon. NICHOLAS LONGWORTH.

The members of the Legislature of Texas were deeply grieved by the passing of this great American and greatly deplore the loss which his death has occasioned the people of this Nation.

Very truly yours,

LOUISE SNOW PHINNEY,
Chief Clerk House of Representatives.

Resolution

Whereas on yesterday, April 9, Hon. NICHOLAS LONGWORTH, of the city of Cincinnati, and Speaker of the House of Representatives of the American Congress, was called by death; and

Whereas the Speaker of the House of Representatives of the State of Texas, upon being advised of his death, appointed a committee from the house to prepare and submit to this house suitable and proper resolutions on the death of this distinguished American; and

Whereas Texas shares in common with her sister States the grief and loss occasioned by the death of this outstanding son of the great State of Ohio, she also recalls and pauses now to express a remembered gratitude to Cincinnati and Ohio for the sympathy and support accorded by them to Texas in the struggle and achievement of the young Republic; and

Whereas the Hon. JOHN N. GARNER in his tribute appearing in to-day's press, to the memory of Mr. LONGWORTH, expresses the feelings and sentiments of the people of Texas, and which is as follows:

"I was intimately associated with Speaker LONGWORTH for nearly 30 years. We were elected to Congress the same year and from the beginning served on the same committees—Foreign Affairs and Ways and Means. He went to the Speakership; I, to the leadership of the Democratic minority. I knew him as a man and as a legislator and he was the best type of each. His statesmanship was of the highest and most patriotic; true he was a partisan, but he was honest and courageous and loved his country. He was as fair and impartial a Speaker as the country has had in the last half century. He was a regular Republican, which means that he believed in party organization and party responsibility, which is the opinion of most men who have had experience in legislative efforts. It has been our constant habit for years to meet each evening after Congress adjourned and discuss the happenings of the day and the probable happenings of the to-morrow. In these late afternoon conferences we often discussed the policies of the Congress in a patriotic spirit, and many propositions were solved. A good many of them are on the statute books to-day. Of course we had differences, and our political fights were sometimes intense, even tinged with acrimony, but there was always respect for the views of each and a realization that each was trying to serve his country from his respective point of view. When the fight was over, our efforts were celebrated in the usual manner, differences forgotten, and good fellowship resumed. LONGWORTH and I were closely associated socially. I had the pleasure of attending his wedding. He was an aristocrat; I am a plebeian. Perhaps the very fact of our different rearing intensified our interest in each other. I have lost one of the best friends of a lifetime, the country a good citizen, and the Congress a most valuable legislator." Therefore be it

Resolved by the House of Representatives of the State of Texas, That it express its approval of the sympathy and sentiments expressed by Hon. JOHN N. GARNER on the death of Hon. NICHOLAS LONGWORTH; that we concur in the estimate he formed and held of this great American; we appreciate and deplore the loss which his death has occasioned the American people, and we join Cincinnati and Ohio in their grief.

Be it further resolved, That a copy of these resolutions be sent to the Chief Clerk of the Congress of the United States and to the Governor of the State of Ohio, and the mayor of the city of Cincinnati.

MCGREGOR.
KELLER.
SATTERWHITE.

Adopted unanimously by a rising vote.

FRED H. MINOR,
Speaker of the House.
LOUISE SNOW PHINNEY,
Chief Clerk of the House.

Resolution

Whereas it has just been learned that Hon. NICHOLAS LONGWORTH, Speaker of the House of Representatives of the United States, died this morning while visiting at Aiken, S. C.; and

Whereas, because of his outstanding ability and the utter loyalty he has always shown in the discharge of his duties as a public officer, the Nation as a whole has suffered a great loss: Now, therefore, be it

Resolved by the House of Representatives of the State of South Carolina, That the sympathy of the State of South Carolina be extended to the family of the Hon. NICHOLAS LONGWORTH in this hour of their great sorrow and bereavement.

That a copy of this resolution be sent to Mrs. Nicholas Longworth, and also to the United States House of Representatives.

IN THE HOUSE OF REPRESENTATIVES,
Columbia, S. C., April 9, 1931.

I hereby certify that the foregoing is a true and correct copy of the resolution adopted by the House of Representatives this day.

[SEAL.]

J. WILSON GIBBES,
Clerk of the House.
Per D. N.

DEPARTMENT OF STATE,
Washington, April 24, 1931.

Mr. JOSEPH G. RODGERS,
Sergeant at Arms of the House of Representatives,
2924 Macomb Street, Washington, D. C.

SIR: There is transmitted herewith copy of a telegram, with translation, addressed to the Presiding Officer of the House of Representatives by Dr. Quintin George, President P. S., Chamber of Representatives of the Republic of Cuba, expressing condolences on the death of Mr. LONGWORTH.

Very truly yours,
For the Secretary of State:
WILLIAM J. CARR, *Assistant Secretary.*

(Inclosure: From Dr. Quintin George, April 13, 1931.)

HABANA, *April 13, 1931.*

The PRESIDING OFFICER,
House of Representatives, United States of America,
Washington, D. C.:

The Chamber of Representatives at to-day's session passed a resolution to express to your honorable body its sincere condolence for the lamented decease of the Speaker of the House, Mr. NICHOLAS LONGWORTH.

DR. QUINTIN GEORGE,
President P. S., Chamber of Representatives
of the Republic of Cuba.

HABANA, *April 10, 1931.*

Honorable SPEAKER PRO TEMPORE,
United States House of Representatives,
Washington, D. C.:

In the name of the Congress of the Republic of Cuba and in my own allow me to express to the Members of the American Congress our most sincere condolences for the demise of Speaker LONGWORTH.

Dr. CLEMENTE VAZQUEZ BELLO,
President of Congress of Republic of Cuba.

APRIL 22, 1931.

Hon. CLEMENTE VAZQUEZ BELLO,
President of Congress of the Republic of Cuba,
Habana, Cuba.

SIR: On behalf of the Members of the National House of Representatives, I have the honor to acknowledge the receipt of your telegram of April 10, expressing in the name of the Congress of the Republic of Cuba, and in your own, sincere condolences for the demise of Speaker LONGWORTH, for which expression at this time I extend the thanks of the Members of the National House before which the message will be presented when Congress convenes.

I have the honor to be, sir, very respectfully yours,

WILLIAM TYLER PAGE,
Clerk of the House of Representatives, United States.

STATE OF ALABAMA,
OFFICE OF SECRETARY OF STATE,
Montgomery, April 25, 1931.

To the honorable CLERK OF THE
HOUSE OF REPRESENTATIVES,
Washington, D. C.

DEAR SIR: I am inclosing herewith House Joint Resolution 104, by Pitts, pertaining to the death of Hon. NICHOLAS LONGWORTH, Speaker of the House of Representatives. This as requested in the joint resolution.

Yours very truly, PETE B. JARMAN, Jr.,
Secretary of State.

House joint resolution

Whereas death has come to NICHOLAS LONGWORTH, Speaker of the National House of Representatives, a wise and good man, and

Whereas Mr. LONGWORTH was always just in his political dealings, his justice knowing no party lines: Therefore

This legislature expresses its sorrow at his death and its sense of loss at his passing.

Resolved further, That the secretary of state of Alabama shall send a copy of this resolution to the National House of Representatives, Washington, D. C.

Approved April 21, 1931.

THE STATE OF ALABAMA,
DEPARTMENT OF STATE.

I, Pete B. Jarman, jr., secretary of state of the State of Alabama, do hereby certify that the pages hereto attached contain a true, accurate, and literal copy of House Joint Resolution No. 104, by Pitts, approved April 21, 1931, as the same appears on file and of record in this office.

In testimony whereof, I have hereunto set my hand and affixed the great seal of the State, at the capitol, in the city of Montgomery, this 25th day of April, 1931.

[SEAL.] PETE B. JARMAN, Jr.,
Secretary of State.

HARRISBURG, PA.,
IN THE HOUSE OF REPRESENTATIVES,
April 14, 1931.

While yet in love with life and raptured with the world, NICHOLAS LONGWORTH, Speaker, statesman, artist, and gentleman, swiftly passed into that dreamless silence of the dead;

Tolerant, tactful, fair, and honest, he takes his place in history as an outstanding wielder of the gavel in our National House of Representatives;

Born of wealth, reared in luxury, educated without stint, when man's estate arrived, he mixed and mingled with the crowds, and on his own he climbed the mountain peak;

The artistry of the skilled musician, the aggressiveness of the politician, the fearlessness of the statesman, the fineness of the gentleman, combined to make a man, respected by his fellow men;

While eager, kindly winds were kissing every sail of life's frail bark and carrying on to better, richer ports, he struck the unseen rock that lurks beneath the silver sea and now the billows roll above that stricken craft and he is gone;

With many milestones left unpassed upon the road of life and ere the setting sun had cast its taller shadows to the east, he wearied of the trail and fell asleep;

A life whose every moment gleamed with love of friends and every hour was studded thick with jewels of memory became too soon a sad and sorrowing tragedy: Therefore be it

Resolved, That in the passing of the Hon. NICHOLAS LONGWORTH, the House of Representatives has lost a fair, impartial, and fearless Speaker, and a Member who possessed the qualities of genuine statesmanship;

That the Nation has lost a strong and outstanding figure, who contributed his all to the common good;

That the district he represented has been deprived of the services of one who knew its needs and whose public career was a credit to it;

That while we feel the ineffectiveness of any act of ours to in any way assuage the grief and loss of those who must deeply mourn his loss, we extend to them our deepest and most profound sympathy;

That a copy of these resolutions be forwarded by the chief clerk of the house to the widow of the Hon. NICHOLAS LONGWORTH, and to the Chief Clerk of the House of Representatives of the Congress of the United States, and that they be spread upon the journal of this house.

The foregoing is a true and correct copy of the resolution passed in the house of representatives, the fourteenth day of April, one thousand nine hundred thirty-one.

C. J. GOODNOUGH,
Speaker, House of Representatives.
E. F. WHITE,
Chief Clerk, House of Representatives.

WAR DEPARTMENT,
Washington, April 16, 1931.

The SPEAKER,
House of Representatives.

SIR: In compliance with the request contained therein, there is transmitted herewith a copy of a cablegram quoting a resolution of condolence passed by the Senate of Porto Rico upon the death of the Hon. NICHOLAS LONGWORTH, late Speaker of the House of Representatives, which has just been received from the Hon. Luis Sanchez Morales, president of the Senate of Porto Rico.

A copy of the above cablegram has been transmitted to the President of the Senate.

Respectfully, PATRICK J. HURLEY,
Secretary of War.

(1 inclosure.)

APRIL 10, 1931.

The Hon. PATRICK J. HURLEY,
Secretary of War, Washington, D. C.:

I have the honor to inform you that at a meeting held to-day the Senate of Porto Rico adopted the following resolution expressing the condolence of the Senate of Porto Rico on the death of the Hon. NICHOLAS LONGWORTH, Speaker of the House of Representatives of the United States of America.

Whereas the Hon. NICHOLAS LONGWORTH, a Member of Congress and Speaker of the House of Representatives of the United States, has departed this life;

Whereas the death of the Hon. NICHOLAS LONGWORTH represents a sad and immense loss to the American people, while to Porto Rico it means the loss of a friend who was always ready to cooperate in benefit of the interest of our island.

Whereas the deceased was the brother-in-law of our governor, the Hon. Theodore Roosevelt:

Now, therefore, be it resolved by the Senate of Porto Rico (1) to state and enter on the record the fact that the senate has with deep sorrow learned of the death of the Hon. NICHOLAS LONGWORTH; (2) to transmit a cablegram to the widow of the Hon. NICHOLAS LONGWORTH, the Congress of the United States, and the President of the Nation, expressing to them our most sincere condolence; (3) to designate a committee to call upon the Governor of Porto Rico to express to him our participation in his sorrow.

The senate also resolved to adjourn to-day's meeting as an expression of sorrow over the death of Speaker LONGWORTH.

I beg of you to inform Speaker LONGWORTH's widow, his Excellency President Hoover, and the Congress of the United States of the resolution transcribed above.

LUIS SANCHEZ MORALES,
President of the Senate.

Mr. McKEOWN. Mr. Speaker, the tragedy of our American life is the fact that the sons of our wealthy citizens take so little interest in governmental affairs, especially in the House of Representatives. The late Speaker, who came into this House to serve his district and the Nation through many years leaves a career that merits the plaudits of all good citizens, and his example should be emulated by future sons of the well-to-do. The life in the House is no flowery bed of ease, but it is the great arena of statesmanship, where all must stand or fall upon merit alone. Here wealth will not win nor poverty prejudice.

In the very early days of my apprenticeship, in the war days, I first came in personal contact with the late Speaker. I had voted to let Colonel Roosevelt go to France; and since I was a Democrat, he came to express his appreciation.

He understood the hardships of a new Member and was always genial and approachable. He was more concerned about having the good wishes of his colleagues and their esteem than any office in the gift of the Nation.

I think probably there are few places where the measure of a man is more completely taken than right here among Members of this House, and it is said of Mr. LONGWORTH that no man had more real friends, not only among his party associates but among those of the opposing political faith.

He was a great party leader, a greater Speaker; and when the gavel fell, as it were, from the grasp of his nerveless hand, he passed over the divide to preside in the hall of the great of all times.

Mr. SNELL. Mr. Speaker, the entire American Continent mourned the death of NICHOLAS LONGWORTH. He had a warm place in the hearts of his fellow Americans. No wonder. He was intensely human. His kindly nature was unspoiled by political conflicts and the responsibilities of official station. He was a manly man.

To me his sudden, tragic, and pathetic passing terminated a personal friendship which daily association in a common official and political relationship had created over a period of more than eight years.

Prior to his election as majority leader of the House our acquaintanceship was comparatively casual, merely that of two Members of the House serving on different committees whose contacts were chiefly on the floor of the House.

The election of Mr. LONGWORTH as leader of the Republican Party in the House came at a time which tested his

capacity for leadership. He met the test. A small group in his own party held the balance of power and demanded concessions for their support. The problems arising out of this situation he met and solved with that natural ability and finesse which characterized his whole career. He had the happy faculty of conciliating his foes and keeping his friends, and at the same time preserving his principles. He would never sacrifice his convictions for the sake of expediency. He had the approbation of his own conscience. His affability and his good judgment, combined with rare tact and discretion, won for him the affection of the House.

When he aspired to the Speakership of the House, having won his spurs as majority leader, he contended with his friend the late beloved Martin Madden, himself a leader and political antagonist, who proved to be a worthy foeman. Both men had earned the respect and admiration of their party associates, and a choice between them was no easy task. They fought a good fight, Mr. LONGWORTH winning out; but the result left no scars and Speaker LONGWORTH entered upon his duties with the good will and cooperation of his fellow Republicans, and with the esteem of his friends on the Democratic side.

The high regard in which Mr. LONGWORTH was held extended into every stratum of political and social life, from the highest to the lowest. An aristocrat to the manner born, yet his life was simple and unaffected and his manners democratic and those of a true gentleman.

Mr. LONGWORTH's three terms as Speaker of the House were distinguished for his fairness and for his wise rulings. He added prestige to the House. He actually raised the House, none too popular at any time, to a place of respect and admiration in the Nation. He was proud of the body over which he presided with consummate skill, and his zealous regard for its dignity and place in our governmental scheme won the plaudits of its Members regardless of party.

Mr. LONGWORTH was a partisan when occasion demanded partisan action, but his partisanship was never offensive.

He believed, to quote his own words, that—

> The basic principles which have made the Republican Party what it has been and is to-day, the true medium for the expression of the desires and aspirations of the majority of the people of the United States.

Yet in the office of Speaker, as presiding officer of the House, one could not have discerned from his conduct to which party he was attached, so well did he exemplify his own ideal and conception of the character of that high station.

Upon assuming the Speakership the first time, he announced his belief and purpose concerning the office and its proper administration in these words:

> The functions and duties of the Speakership, as I view them, divide themselves into two general classes, the one parliamentary, the other political.
>
> The first I propose to administer with most rigid impartiality, with an eye single to the maintenance in the fullest degree of the dignity and honor of the House, and the rights and privileges of its Members. I promise you that there will be no such thing as favoritism in the treatment by the Chair of either parties or individuals.

That he kept faith with himself and with the House is amply attested by the genuine high regard and affection of his associates on both sides of the House. The feelings of the Members, without exception, toward Speaker LONGWORTH could not be better expressed than by the distinguished gentleman from Georgia [Mr. CRISP], himself an able legislator and parliamentarian and the son of a former Speaker, when at the close of the last Congress, not long before Speaker LONGWORTH's gavel fell for the last time, Mr. CRISP uttered this encomium, which also was a requiem:

> I recall that when our distinguished Speaker first assumed the chair he made this statement, that as a Representative from one of the congressional districts of Ohio he was a partisan; that as the Speaker of the House he would know no partisanship but would be the Speaker of the entire body and faithfully, fairly, courteously, and impartially discharge the duties of that great office. I desire to say that he has kept faith and lived up to that promise. He will take rank as one of the great Speakers of this House.

We miss the wise counsel, the unfaltering leadership, the inspiration, and the amiable fellowship of our beloved friend NICK LONGWORTH.

Mr. WIGGLESWORTH. Mr. Speaker, Shakespeare has referred to "wisdom" as "a word that all men love." Wisdom deserves this response, for in the long run wisdom spells success, and lack of wisdom spells failure, in every field of endeavor. Wisdom outstanding in his chosen field characterized our late and loved Speaker, Hon. NICHOLAS LONGWORTH, of Ohio.

Other qualifications were his in abundance. His splendid abilities were self-evident. These abilities, asserted early in life, enabled him to serve his city and his State as a member of the school board in Cincinnati, as a representative and as a senator in the Legislature of Ohio. These abilities also carried him into the service of the Nation, electing him to Congress no less than 14 times. They won for him important committee assignments in the House. They made him its majority leader. They brought him ultimately the highest honor which his colleagues could confer upon him—the speakership—a high office to which he was three times elected; a high office which he filled with dignity, with courage, and with fairness to all.

Human qualities were also his in full measure. His understanding of human nature, his generosity, his humor, his good-fellowship, these and other characteristics endeared him to the Members of the House and won for him a host of friends in every walk of life.

His wisdom made him a great Speaker of the House of Representatives. No one who knew him as presiding officer and leader of his party in the House could fail to recognize his rare foresight, his unusual power to estimate accurately the result which could be attained, his unerring skill in finding the means best suited to its attainment, his ability in a word to make the right application of knowledge.

Those of us who were privileged to serve with him as friend and as colleague can best appreciate the value to the Nation of his experience, of his wisdom, of his life of public service. We can best appreciate, Mr. Speaker, in these difficult times, when in every walk of life the world cries out for intelligent and effective leadership, how great was America's loss in the passing of our loved leader.

Mr. BACHARACH. Mr. Speaker, we meet to-day according to custom to pay tribute to the memory of those of our colleagues who have passed to the Great Beyond since the last session of Congress. But this day has more than special significance, since among those who have left our midst is our beloved friend and former Speaker, NICHOLAS LONGWORTH.

But three Speakers in the history of the House occupied longer the chair to which Mr. LONGWORTH was elevated by the Republican membership after 20 years of service in the House. Prior to his election as Speaker he had served with distinction as Republican floor leader and as a member of the Committee on Ways and Means.

It was my pleasure to meet Speaker LONGWORTH for the first time in the spring of 1915, following my first election to the House of Representatives, when he came to Atlantic City to address a Republican gathering there. We became rather well acquainted in the several days which he spent in Atlantic City, and that acquaintance ripened into a warm and sincere friendship which I shall ever cherish as one of the happy memories of my service in the National Congress. At the time of his death it was my great privilege to hold a closer relationship with him than perhaps any other Member of the House.

Speaker LONGWORTH was an exceptional man in many ways; he might well be referred to as an "institution" as a result of his long and valuable service in the House of Representatives. A brilliant scholar, a statesman of accomplished attainments, a master of parliamentary law and procedure, he will go down in history ranking high among the few really great Speakers of the House.

A gentleman to the manner born, he was possessed of a magnetic personality and with it all a "man's man." To have the good fortune to know him intimately was indeed a real privilege, for to know him was to appreciate his abundant good qualities and to love him for his rare charm.

It was my pleasure, as one of his close friends and advisers, to sponsor and take an active interest in his first

election as Speaker of the House. There was considerable opposition to his candidacy, and it was no easy matter to defeat his opponent, the late and lamented Martin B. Madden, who had served in the House for so many years with honor and distinction. The record left by our departed friend as Speaker of the House will ever remain a mark of high tribute from him to the friends who loyally stood by him and contributed to his election to the highest office in the National Congress. If, in the years which I have already served in the House and to those to come, my service to my country shall otherwise be little noted, I shall always feel that in helping to elect NICHOLAS LONGWORTH as Speaker of the House I have in no small measure contributed to the future history of our country.

As I think of him now my memory goes back to the closing day of the Seventy-first Congress, when he addressed his colleagues for the last time, and I wonder what prophetic vision prompted him at that time. His short address to the House on that occasion is well worth repeating here as a reminder to all of the uncertainty of life and the futility of speculating upon what the future holds in store for us. At that moment the make-up of the House was such as to practically assure his reelection as Speaker in the next Congress. He said:

> Perhaps this is the last time I will address you from this rostrum. It is only an all-wise Providence who is going to determine which of the two major parties will organize the next House. With whatever Providence may decree, I am abundantly satisfied. If I am to retire from this office, I do so with profound gratitude to my colleagues, not so much for having elected me to this, the greatest office in any legislative branch in any government of the world, but more for the evidence of the esteem and confidence you have had in me.

It is a strange coincidence that from that time on the hand of Death should have been laid upon a sufficient number of our membership to change the political majority in the Congress and assure the election of the present Democratic Speaker.

Mr. FRENCH. Mr. Speaker, how rapid the change in personnel in a legislative body that we believe to be perpetual may be indicated by the fact that after 28 years only five Members whose original services commenced with the Fifty-eighth Congress, March 4, 1903, entered upon their services as Members of the present Congress. About 121 Representatives were elected for the first time in 1902.

The five who entered at that time who were elected in 1930 to the Seventy-second Congress were the late Speaker of the House of Representatives, NICHOLAS LONGWORTH; the present Speaker, JOHN N. GARNER; the Democratic floor leader, HENRY T. RAINEY; the distinguished Representative from Wisconsin, WILLIAM H. STAFFORD; and myself.

Shortly after the commencement of the present Congress, however, this circle was broken by the passing of our late Speaker. The Members of the Congress, regardless of party, were controlled by one thought in the death of Mr. LONGWORTH, namely, that they had lost a personal friend.

Others will refer to the intimate features of the life of the late Speaker. May I refer to just a few of his characteristics that impressed me as a coworker?

Probably no group more accurately or more relentlessly appraises the worth and fitness of the individual Members of the group than does the House of Representatives. Here all meet upon a common plane; here there is no place for sham; here there is no place for hypocrisy; here there is no place for dishonorable practice; here there is no place for bluntness and discourtesies; no place for any of these frailties for the man whose service would be long and influential. Certainly there is no place for such things upon the part of one who may be chosen by his colleagues to fill responsible positions within the gift of the Members of the House.

NICHOLAS LONGWORTH was a man of ability. He was educated and trained in our foremost institutions of learning. He was possessed of an aptitude for matters pertaining to government. He was well informed, broadly read, possessed of wide acquaintanceship among people of our country and other countries who were most worth while. He was tremendously devoted to the principles that his conscience told him were right and sound. He was persistent as a student and as a legislator, and yet probably the one thing that characterized the late Speaker more than anything else and brought him the degree of success that attached to his name was his kindliness toward his fellow Members.

Mr. LONGWORTH's service was broken by but one term. He was repeatedly reelected because of his strength as a legislator and as a man, and he continued to maintain his position of leadership in the House of Representatives because he was recognized among his colleagues as a man of strength. He was aggressive, but he was kindly. He was a leader but he led by being himself in the front and by being fair and just toward those who were associated with him.

As a Member of the House our late colleague did not make it his business to speak upon every opportunity and upon every subject. Yet when he did speak he commanded the attention of his colleagues. He commanded the attention of his colleagues because he preferred to speak only upon subjects with which he was acquainted, because he had courage, and because he placed the great well-being of our country above the personal equation and above the aspiration and ambition of any local community or State.

As a public speaker Mr. LONGWORTH never could be classed as one of the old fervid type who indulged in rhetoric and word pictures; rather he belonged to the new type, to the type that is consistent with the practical man of affairs, the business man, the student, who is capable of translating his philosophy into the common everyday experience and language of the world; and it was because of this that he invited command and sustained his position in the House.

Mr. LONGWORTH came to the floor leadership of the Republicans in the House of Representatives at a time when the membership of his party was large and when conditions were right for possible schism within party ranks. How well Mr. LONGWORTH conducted himself as Republican floor leader can best be told by recalling that upon the completion of his services as leader of his party on the floor he was elevated to the high office of Speaker, where for three terms he served with great distinction and ability, and where under his leadership the House of Representatives came to occupy a plane of admiration and respect in the public mind that it had not occupied for a generation.

One of the fine virtues of man is loyalty. NICHOLAS LONGWORTH was loyal to his friends. He was loyal to principles. He was a partisan. It was natural for him to believe that his friends could not be wrong. He would go the limit for them. Even so, he was fair and just to his opponents; and as he retired from the Speakership of the House of Representatives he carried with him the good will of Republican and Democrat alike in the thought that he had performed the high office of Speaker faithfully, courteously, courageously, impartially, and that in the history of the Republic his name would be placed alongside of the names of the great Speakers of the House.

Mr. CHINDBLOM. Mr. Speaker, probably every Member of the House of Representatives in the Seventy-first and immediately prior Congresses would wish to speak a word on the memory of the late Speaker, the Hon. NICHOLAS LONGWORTH, of Ohio. His passing was so sudden, so unexpected, but withal so significant, that his friends are yet astounded and bewildered by the strange ways of a benign Providence. True, he spoke almost prophetically when he said at the closing of the Seventy-first Congress that the selection of a Speaker for the Seventy-second Congress lay in the laps of the gods, and that for the honors he had received he was "abundantly satisfied," but none of us expected those to be his last words in the Chamber of the House. We who recall him as a leading member of the Committee on Ways and Means, then as Republican floor leader, and then for six years as Speaker of the House, will never forget his kindly nature, his human sympathy, his clear and convincing diction, his power in debate, his clear understanding of parliamentary procedure, his comprehensive grasp of public questions, and his patriotic devotion to the welfare of the entire Nation. There was nothing personal, narrow, or sectional in his viewpoint or action in any matter of

public concern. He was a man's man in his personal relations and a statesman of full stature in his public service. I hold him in high esteem and affectionate personal regard.

Mr. SNOW. Mr. Speaker, the passing of Hon. NICHOLAS LONGWORTH greatly saddened our hearts and it is difficult to adequately express in words the affection in which he was held by the entire membership of this House—Democrats and Republicans alike.

Recognized as a great parliamentarian and presiding officer, his rulings and decisions were universally considered fair and impartial, and he deserves to be long remembered for his exceptional legislative work. He was true to the party with which he acted, but for his opponents he had no words of abuse and accorded them the same freedom of opinion he claimed for himself, and to them was always considerate.

In manner he was sociable and dignified; in conversation, entertaining; and while possessing qualities of the most positive character, his nature was so kindly and his disposition so courteous that he had fewer collisions in the many and divers kinds of legislation in which he took a most active part than fall to the lot of the most favored few. This positiveness of character led him not to fear antagonism, but his kindness of heart raised up friends and prevented life-long enmities.

In his service as Speaker he worked hard and incessantly, and it is more than probable that his close application to his public duties during the last trying session of Congress and his deep anxiety that all matters with which the country was concerned should go well so wore upon him and sapped his strength as to cause his premature end.

NICHOLAS LONGWORTH has left in the House of Representatives no enemies; all who even knew him slightly were his friends. The country can ill afford to lose him, and it is a matter of universal regret that death prevented him from rendering many additional years of useful service to the Nation.

Mr. TILSON. Mr. Speaker, I can not permit the RECORD to close without a word for the memorial volume on the life and public services of the late Speaker NICHOLAS LONGWORTH. Others will tell of his many fine qualities of head and heart as well as of his deeds as a many-sided man and public servant. I shall try to describe but a single quality possessed by him which added greatly to his personal charm and which was the key to his unusual effectiveness as a legislator. If called upon to describe this quality in a single phrase, I should characterize it as the ability to cooperate. In social intercourse it enabled him to play not only any rôle assigned him but almost any other necessary to round out or make complete the joy and jollity of the party.

In his work as a legislator it was his most valuable asset, enabling him not only to use his own talents to the best advantage but also to greatly increase their effectiveness by adding to them the results of the cooperative efforts of others. My own impressions of LONGWORTH'S somewhat unique ability to cooperate successfully with others were gained through an experience of 20 years as a colleague, but particularly during the last 12 years of our service in the House of Representatives together.

I first met NICHOLAS LONGWORTH as a colleague at the extra session of the Sixty-first Congress in 1909. He was then a member of the great Ways and Means Committee, and, as President Taft had called us together to revise the tariff, I soon had opportunity to see him in action. During the next four years I came to know him and to love him, as did all who came near enough to him. He and I then had the common experience of being "lame ducks" together, of taking a 2-year furlough without pay during the Sixty-third Congress, and ultimately, along with Uncle Joe Cannon and a number of others, of being fellow "comebacks" in the Sixty-fourth Congress. He was restored to his old Committee on Ways and Means at once and I joined him on the committee at the beginning of the Sixty-sixth Congress, immediately following the Great War.

During the tariff revision of 1921 and 1922 LONGWORTH served as chairman of the subcommittee on the chemical schedule, while I presided over the metal and sundries schedules, and others over the other schedules, but there was the greatest possible necessity for cooperative effort in bringing all the schedules into proper adjustment for a well-balanced, completed tariff bill.

In the Sixty-eighth Congress the party majority had almost vanished. LONGWORTH was chosen majority leader and was enabled to "carry on" as such by his ability to utilize to the best advantage possible the support of his lean majority of party coworkers.

When he became Speaker at the beginning of the Sixty-ninth Congress I became majority leader, and for six years our labors together might be described as that of yokefellows. For the successful working out of a legislative program it is absolutely essential that the Speaker and the majority leader be able to work together in such accord that the result of their combined labors may be the unified judgment of both.

In this relationship no majority leader ever had a fairer or more just share of the inevitable responsibility than I had with NICK LONGWORTH. He was always willing to give and take. He always had ideas as to what was best to do as each emergency arose requiring a decision, but he never insisted upon having his own way unless he was able by logic and sound reasoning to convince others of the wisdom of his proposed solution of the problem.

I can imagine nothing more unsatisfactory or uncomfortable, and in the end nothing less conducive to the public interest, than a situation where the Speaker either contributes nothing to the solution of the problems arising or, on the other hand, where the Speaker attempts to completely dominate the House without regard to the views or judgment of the majority leader; for, after all, the majority leader is chosen by the party itself to direct the party program on the floor of the House. While properly jealous of the rights of the great office of Speaker, LONGWORTH was great enough in himself to properly recognize the position and responsibility of his party team mate and so cooperated with him as to give the House and the country the resultant benefit of their united, unified efforts.

The cooperative spirit of LONGWORTH went to the generous extent of being willing to assume his share of the responsibility and take his share of the resulting grief. Nor did he belong to that all too numerous class of individuals always willing to allow others to shoulder the burden of the work provided they themselves receive all the credit for the result.

No one had a better opportunity to know LONGWORTH in his work on Capitol Hill than I, and I measure my words in saying that as a fellow toiler in the legislative field, as a coworker in the Nation's business, as a yokefellow, willing to draw his share of the load, he was preeminent. By reason of this quality he secured results unattainable by others not inferior in ability but lacking this characteristic. By its use he used the ability of others joined with his own for the more effective service of the country he loved.

MATTHEW VINCENT O'MALLEY

Mr. DELANEY. Mr. Speaker, although I was a Member of the Sixty-fifth Congress, my service in the House has now passed the half-year mark in the Seventy-second Congress, but it is a completion of a fruitful and delightful six months of companionship and friendship, signalized by an opportunity for the greatest education that our country now affords to any American citizen.

When we assemble in this historic Hall to pay tribute to the memories of our departed colleagues, we fully realize the responsibilities and the duties that bring us here and the value of their association and services. At such a time we stand in the presence of a great mystery in which we are all eventually equal. High or low, rich or poor, millionaire or mendicant, king or subject, all must answer the same call to march through that grim and ghostly cordon beyond which we may well all meet when the sun goes down and the final day is done.

The Grim Reaper during the past few months has been active in our ranks, and to-day we assemble to honor the life, the achievements, and the memory of MATTHEW V.

O'MALLEY, a Representative from the great State of New York.

I shall find it difficult to enter this sanctuary during the remainder of my tenure of this great office without thinking of my friend who is gone.

There is a truism that "man proposes and God disposes." This is particularly true in the case of my late departed friend. For many years he cherished the ambition to sit in the Halls of Congress, only to be denied this privilege after being selected by the voters of the seventh congressional district of Brooklyn, N. Y., as their representative.

As boys, Matt and I played together. His chums were my chums; his friends were my friends. Our families visited one another. We grew up together. We met daily. Our friendship grew with the passing of time. A half century passed and we retained the same friendly feeling toward each other.

His dealings with his business and social acquaintances were beyond question. He was a friend in stormy weather. Few sought his aid who did not leave MATT O'MALLEY with his wishes gratified. MATT O'MALLEY was a kindly man. He loved to help the unfortunate. No charitable cause ever failed to enlist his ready sympathy. No one in trouble ever appealed to him in vain. It was this great spirit of helpfulness so characteristic of our dead colleague which united him with grips of steel to the people of his district regardless of party affiliation.

MATT O'MALLEY would have been an outstanding figure in any group into which he might have been thrown. In school he always played his part, whatever it might be, in such a manner as to distinguish himself and to make himself notable among his fellows. It was ever so throughout his life in whatever activity he might engage. He loved his native Brooklyn and New York with more than filial devotion. To the welfare of both he gave his manifold talents unstintedly and unsparingly. He cherished the lofty traditions and high ideals of Brooklyn and New York and lived up to them worthily. He was a student at the Parochial School of the Assumption and Public Schools No. 1 and No. 5.

His rise to place and distinction in this House would have been inevitable and be credited specially to two outstanding characteristics, each of these being the result of certain conspicuous qualities of mind and heart innate in his character.

I have spoken, as others will speak, of his attractive, pleasing personality. This inevitably brought and kept him many friends. The spirit of comradeship was his to a remarkable degree. His personal hold upon his friends added greatly to his effectiveness as a public servant. He made friends rapidly and retained them. The sad news of his sudden and untimely taking-off came as a shock to a host of friends who had learned to love and admire him with deep affection. In his death every one of his colleagues in this House and thousands of friends in every part of the Nation experienced a sense of personal loss. This was because to MATT O'MALLEY friendship was something more than a name. It was a passion and a virtue. It was a part of his very being.

I can recall one of his outstanding attributes, that of gratitude. In my conversations with him he often spoke of the dear father and mother who, at great personal sacrifice, gave him an opportunity to secure an education, and all during the years he said that the greatest thought he had was of the untiring zeal and devotion of that father and mother who had foregone everything to give him his chance. And, let it be to his credit, he embraced it.

Another of his characteristics, to my mind, was his loyalty—loyalty to his friends, loyalty to his city and State, and loyalty to his country. But above all he loved his country—no one loved her better—no one could do more for the men who fought in its behalf than he. No one thrilled more at the gallant achievements numbered in her glorious history.

To those who were near and dear to him by the ties of blood I feel that I can speak with some degree of appreciation, being one who is acquainted with grief and not unknown to sorrow along this line. In life he proved that it is not life that matters but that courage that we bring into it.

With the departure of Representative O'MALLEY, New York has lost a beloved son, the Nation a splendid public servant, and ending a career filled with usefulness, sincerity, and integrity; a man among men. We are not eulogizing him to-day, but testifying to his worth, ability, and honored citizenship.

Mr. CELLER. Mr. Speaker, I knew intimately well our late colleague MATTHEW V. O'MALLEY for many years. I learned to have an abiding affection for him. Death found him a shining mark.

Although it was not his privilege to reach the floor of the House, since death claimed him before the opening of the first session after his election, nevertheless he had the attributes that make for kindliness, wisdom, and willingness to serve. He would have made a Congressman of rare distinction.

He has now gone through the Valley of the Shadow to that undiscovered country from whose bourn no traveler returns. There he dwells in a windowless palace of sleep; he now has surcease from trial and pain.

He will, however, have died in vain unless we, the living, honor him by emulating his example of piety and goodness.

No words can beguile his loved ones from their overpowering grief; only time can bring solace to their tortured spirits and balm to their wounded hearts; but they should take comfort in the thought that he leaves behind a good name. Well might we reecho the sentiment of the psalmist, who said:

> Better the fragrance of a good name than the perfume of precious oils.

Mr. CULLEN. Mr. Speaker, it is indeed difficult to place our thoughts into language that will properly express our feelings toward departed friends.

The individuals who stand out in prominence the world over are the ones whose honesty and simplicity first attract you and whose ability to perform their tasks afterwards impresses you. Words of praise can be used in the description of anybody who has ceased to exist, but truthful words describing a character that had to do with all of the different phases of human nature and came through without a scar are, indeed, the exception. This I can justly say of my departed friend MATT O'MALLEY.

MATT O'MALLEY was born in Brooklyn, N. Y., and attended the public and parochial schools of that borough. He was elected to the Seventy-second Congress and represented the seventh New York congressional district in the House of Representatives. The good Lord, in His infinite wisdom, decreed to take him unto Himself before he ever took his seat in the Congress. I deeply regret that he was not spared to take his seat, for, in my humble opinion, he would have been an outstanding figure in Congress.

MATT O'MALLEY was a lovable character. He was first a good citizen, a real Democrat, and a stanch and loyal party man, who, from his humble beginning, attained all of the honors during a period of years that his people could give him.

His home life was ideal. His business and political life was security itself, because he fairly breathed honesty, loyalty, and integrity of purpose. To his friends he was as pure gold. No one ever knew MATT O'MALLEY to shirk an obligation. He was quiet and unassuming, his disposition genial and sunny, his companionship delightful, and his efforts to serve untiring.

Of a deep religious nature, MATT O'MALLEY's private life was at once an example and an inspiration to all who enjoyed the privilege of his acquaintance and friendship. His home life was the gage by which the Nation's domestic bliss and faithfulness might be measured. His daily life was a sermon as powerful as any ever preached from a pulpit.

We treasure our recollection of him. We are sad because he was taken from us, but we fervently thank God for having given him to us.

I along with many other Members of Congress attended his funeral services at the Church of the Assumption, Brook-

lyn, N. Y., and I was profoundly impressed by the sincere evidence of genuine sorrow, love, and respect manifested by the vast throng who assembled there to honor him on that solemn occasion, representing as they did every phase and walk of life of the borough of Brooklyn in whose life he played such a useful and important part.

And ever near us, though unseen,
The dear immortal spirits tread,
For all the boundless universe is life;
There are no dead.

CHARLES ANTHONY MOONEY

Mr. SWEENEY. Mr. Speaker, on the eve of Memorial Day, 1931, CHARLES A. MOONEY, who represented the twentieth congressional district of Ohio in the Congress of the United States, passed to his eternal reward. As one who succeeded him, I consider it an honor and a privilege to have this opportunity to pay a tribute to his memory.

Enjoying his friendship for many years before and during his public career, I became impressed with the tolerance, candor, and sincerity of one who was to all who knew him the soul of honor. Born in St. Marys, Ohio, January 15, 1879, he was educated and grew to manhood in his native city. He came to the metropolis of Ohio in 1911. During the years 1915 to 1919 he served with credit and distinction in the Senate of the State of Ohio. He was first elected to the Sixty-sixth Congress of the United States, and subsequently reelected to the Sixty-eighth, Sixty-ninth, Seventieth, and Seventy-first Congresses.

Within the confines of the twentieth congressional district of Ohio there is certainly more tangible wealth than in any other district in the State. The palaces of the rich and the hovels of the poor abound therein in numbers. Practically every race on God's earth resides within its boundaries. It is a truly cosmopolitan district representing the various racial groups that comprise the composite American. CHARLES A. MOONEY knew his people and they knew him. His constituents, irrespective of political or religious belief, trusted him and came to love and respect him.

He was the friend of the poor immigrant and spent his strength incessantly in his behalf. He made especial effort to reunite the loved ones of sea-divided families, when that was possible by law or regulation. He was a strong believer in social justice for the poor and downtrodden. He had a sense of responsibility to his constituents and to the Nation as a whole. His every official act reflected conscientious effort and application to duty. He despised sham, pretense, and hypocrisy, and he never affected ostentation. Possessing a knowledge of the frailties of human nature, his ears were never attuned to the tongues of gossip or slander. He was never known to utter an unkind word of his fellow men. The congressional committee who attended his funeral will ever remember the crowd within and around St. John's Cathedral, Cleveland, Ohio, who came to register their respect and sorrow for their Congressman and friend.

CHARLES A. MOONEY possessed a virtue much too rare in these days of selfishness and materialism, a virtue which is beautifully epitomized by a poet of his race, the immortal John Boyle O'Reilly, in his poem called—

WHAT IS GOOD?

What is the real good?
I asked in musing mood.

Order, said the law court;
Knowledge, said the school;
Truth, said the wise man;
Pleasure, said the fool;
Love, said the maiden;
Beauty, said the page;
Freedom, said the dreamer;
Home, said the sage;
Fame, said the soldier;
Equity, the seer.
Spake my heart full sadly,
"The answer is not here."

Then within my bosom
Softly this I heard:
"Each heart holds the secret;
Kindness is the word."

His kindness and tolerance endeared him to his colleagues in Congress and to all those who came in contact with him. "Kind in word and deed" sums up the character of this distinguished son of the Buckeye State.

His was an ideal family life. He lived for and worshiped his good wife and splendid children. He was a true husband, father, and companion. There is a void in that loving family circle that can not be filled, but he has left them a garland of memories that will never fade and which will furnish the consolation necessary to lessen their grief with the passing of time.

May his soul and the souls of the faithful departed through the mercy of God rest in peace.

Mr. BOLTON. Mr. Speaker, the ceremonies to-day, impressive in their simplicity and sincerity, are for the purpose of paying tribute to our departed colleagues. The all too long list, which has been read, states briefly and concisely the service which each of them has given to his country. It is impressive in its variety. It is a story of devotion to public service and a record of achievement, a fitting tribute to the public careers of our comrades.

Among those names stands that of CHARLES A. MOONEY, whose record of many years of public service, both in his State and in the Halls of Congress, evidences the appreciation in which he was held. He, like others, had a record of achievement and advancement in Congress, illustrating the cooperation and respect of his colleagues. And he, like others, has a record of a host of friends, both in public and private life, which, best of all, indicates the affection his nature inspired and the underlying sterling principles which made his life what it was.

Others will speak of the intimate details of the life of CHARLES MOONEY, his birth, his education, the responsibilities which came to him during his advancement in life, and matters pertaining to his private and political career. My words are offered as a brief but sincere tribute to a friendship which grew and ripened during our comparatively short service together in Washington.

Although members of opposite political parties, my regard for him began in Cleveland, where he represented the twentieth Ohio district so understandingly that he carried the good will of a large majority of Republican and Democratic constituents alike. During my first days in Congress his fine understanding of service to his community was peculiarly evident in his readiness to cooperate in all matters relating to our great city of Cleveland, and my appreciation of his sympathetic helpfulness rapidly grew into a friendship I shall always treasure.

Although separated from me by the center aisle, his suggestions and counsel on legislation affecting the welfare and activities of the citizens of his city and State indicated his keen interest in and understanding of the welfare of his fellows. As a fellow member of the Rivers and Harbors Committee his advice and untiring efforts on projects affecting the interests of Cleveland gave ample proof of his belief and sincerity in that field of Government activities. In fact, he was one of those most jealous of the interests of the Great Lakes on that committee and gave most freely of his time in their behalf.

In the affairs of his district he displayed that same ability, was conscientious in the discharge of his public duty, and true to his convictions, enjoying the confidence and respect of both sides of the House.

In his family and religious life he showed those same qualities of devotion and faithfulness of purpose which governed his daily actions.

It was my privilege to be present at the impressive services held in the great Catholic Cathedral in Cleveland, where the host of men and women present expressed their love and sorrow for their departed friend. The bishop of the diocese, speaking of our colleague's life, showed full well his understanding of the man and the need of him and his kind in

these times when he finished his stirring and beautiful eulogy with the familiar and inspiring words of J. G. Holland:

God give us men. The time demands
Strong minds, great hearts, true faith, and ruling hands;
Men whom the lust of office does not kill;
Men whom the spoils of office can not buy;
Men who possess opinions and a will;
Men who have honor; men who will not die;
Men who can stand before a demagogue
And damn his treacherous flatteries without winking;
Tall men, sun crowned, who live above the fog,
In public duty and in private thinking!
For while the rabble with their thumb-worn creeds,
Their large professions and their little deeds
Mingle in selfish strife; Lo! freedom weeps!
Wrong rules the land, and waiting justice sleeps!

There is little I can add to the words of tribute expressed by others. My appreciation of CHARLEY MOONEY's ability, his genial, buoyant nature, his love of his fellows, and his understanding of their problems is probably only what all have sensed. In his passing we have lost a tried and lovable companion, Cleveland a valued and trusted citizen, and many of us a real friend. And yet, in the knowledge of that loss is there not a feeling of deep gratitude and appreciation that we have been privileged to have known such a man?

Mr. CROSSER. Mr. Speaker, the late Congressman CHARLES A. MOONEY was not only my colleague but it was my good fortune that we were intimate friends. Mr. MOONEY was one of those whose friends were legion. He often said to me that he liked "people," and I know that he had almost a passion for friendship.

Anyone who was fortunate enough to know Mr. MOONEY intimately recognized the fact that he was a man of honor. I served with him in Congress eight years, and I know how scrupulous he was at all times to avoid even the appearance of anything dishonorable in his official conduct.

He was always delighting in rendering service to individual constituents, and even to those who were not his constituents.

He had a great desire to see a higher degree of justice established in the world than now prevails, and you could always count on Mr. MOONEY's support of measures which he believed looked to that end.

In his official work Mr. MOONEY recognized the fact that nowadays the effective work is done in the committee room, and, accordingly, he was not disposed to speak often or at length on the floor of the House. He could always be counted upon, however, to do most effective work in his committee. There he presented his views forcefully and yet in a most tactful way, thereby assuring the greatest possible benefits to those whom it was his privilege to represent.

In brief, Mr. MOONEY was faithful to his duties and a devoted friend, and he was not a mere "fair-weather" friend. Often I have heard some friend of his severely criticized and even condemned by everyone else in the company of which Mr. MOONEY happened for the moment to be a party, and almost invariably I have heard him promptly defend and justify the friend in question.

During the last year of his life I had occasion to quote to Mr. MOONEY a few lines of poetry written by Ernest Crosby. He said that it was his favorite quotation and represented his highest conception of a worthy life. Because the lines seemed to express his idea of true manhood, I here quote them, as follows:

LIFE AND DEATH

So he died for his faith. That is fine—
More than most of us do.
But stay, can you add to that line
That he lived for it, too?

In his death he bore witness at last
As a martyr to truth.
Did his life do the same in the past,
From the days of his youth?

It is easy to die. Men have died
For a wish or a whim—
From bravado or passion or pride.
Was it harder for him?

But to live: every day to live out
All the truth that he dreamt,
While his friends met his conduct with doubt
And the world with contempt.

Was it thus that he plodded ahead,
Never turning aside?
Then we'll talk of the life that he led—
Never mind how he died.

GEORGE S. GRAHAM

Mr. DARROW. Mr. Speaker, the death of Hon. GEORGE S. GRAHAM on July 4, 1931, marked the passing of another distinguished son of Pennsylvania, a noted statesman, a prominent lawyer, and a faithful public servant.

For more than 50 years GEORGE GRAHAM had taken an active part in civic affairs of the city of Philadelphia, where he was honored and respected by everyone.

At the age of 27 he was elected a member of our select council, and thereafter for 18 years, from 1880 to 1898, he served as district attorney of Philadelphia. It was in this capacity that he first achieved fame, and he will always rank as the most outstanding and talented of our prosecuting attorneys. After serving as professor of criminal law and procedure in the law school of the University of Pennsylvania for 11 years, he was again called to the public service by election to Congress.

He came to the Sixty-third Congress with a rich experience, an unusual training, and fully conversant with the needs of the Nation, and soon developed into one of the most dependable, energetic, and useful Members of the House. His great wealth of information, his profound knowledge of legal principles, his strong and logical intellect and superb powers for the presentation of his views gave him unusual advantage in the discussion and consideration of problems of national import. He had pronounced views upon all great public questions, and always had the courage to express them. He was a forceful speaker and ready debater, but fearless, honest, and straightforward.

My acquaintance with Mr. GRAHAM was formed years before he or I gave thought to the opportunity of serving in Congress. I have always held him in the highest esteem and admired him for his unusual legal talents, his exceptional ability, and sound judgment, as well as his sincere and determined advocacy of the principles of the Republican Party. I am happy to have had the privilege and opportunity of serving in Congress with him. We labored in perfect harmony, and our associations were most pleasant. He was a most kindly and courteous gentleman.

Mr. SUMNERS of Texas. Mr. Speaker, I present the following resolution adopted by the Committee on the Judiciary:

The Committee on the Judiciary of the House of Representatives has heard with profound sorrow of the death of its distinguished chairman and beloved colleague, GEORGE SCOTT GRAHAM, of Pennsylvania, on July 4, 1931.

GEORGE SCOTT GRAHAM served as a member of the Committee on the Judiciary of the House of Representatives from the Sixty-third Congress to the Sixty-seventh Congress, and as chairman of the committee from the Sixty-eighth Congress until the end of the Seventy-first Congress.

The members of the Committee on the Judiciary of the House of Representatives desire to express their great sense of personal loss in the death of GEORGE SCOTT GRAHAM, whose passing removed from their councils and the council chambers of the Nation a wise, learned, and patriotic statesman and leader.

GEORGE SCOTT GRAHAM'S services as a member of the Committee on the Judiciary of the House of Representatives and as its chairman were marked by his devotion to the Constitution of the United States as adopted by our forefathers, of which he was always a ready and able defender, his loyalty to the courts of the United States and the preservation of their powers and integrity, his interest and sympathy with progressive workmen's compensation legislation and with legislation providing for enlightened treatment and care of Federal prisoners. As chairman of the committee, he gave unstintedly of his time and, in a manner in keeping with the training and experience which he had gained from a long, distinguished career at the bar, thoroughly prepared himself as to every detail of legislation which received the attention of the committee. He presided over the committee with fairness and conducted its proceedings with becoming dignity. Participating in the committee's deliberations, he was ever a tactful, gracious, and enlightened counselor and arbiter. His loyalty and affections for

the committee were manifested by his desire to secure unanimity of action upon the measures reported to the House, and in this respect his modesty in expressing his own views and gentlemanly consideration of the views of those of his colleagues who might differ with him brought him a high degree of success.

Be it therefore resolved, That the members of the Committee on the Judiciary of the House of Representatives do hereby express their profound sorrow and sense of deep personal loss in the death of their former colleague and chairman, GEORGE SCOTT GRAHAM, and that a copy of this resolution be spread upon the minutes of this committee and a copy be sent to the members of the family of the deceased.

Adopted February 23, 1932.

Attest: JOHN W. GIRVIN, *Clerk*.

CHARLES GORDON EDWARDS

Mr. PARKER. Mr. Speaker, as we turn aside to-day from our usual and customary duties to pay tribute to our departed comrades, I feel greatly depressed when I think of the magnitude of the loss that has come to the people whom I have the honor to represent in this body in the passing of my distinguished predecessor the lamented and beloved CHARLES GORDON EDWARDS, who so ably represented the first congressional district of Georgia in the House of Representatives for more than 16 years.

I knew Mr. EDWARDS for more than a quarter of a century, and, like all others who knew him, I looked upon him as a friend. He was born in Tattnall County, while I was born across the river in Appling. His devoted wife, who before her marriage was Miss Ora Beach, also first saw the light of day in Appling County. Her parents and my parents were friends early in life. My mother lived in the Beach home about the time of the birth of Mrs. Edwards. My father met my mother and became engaged to her while she was living in the Beach home. Friendships sprang up between the families that grew with time and that can never be obliterated.

CHARLEY EDWARDS was given every opportunity that his substantial parents could provide for him. He was encouraged to take advantage of the opportunities afforded him at home, and after he had finished high school he attended Gordon Institute at Barnesville, Ga. Later he attended the Florida State College and finally graduated from the law department of the University of Georgia. He first practiced law in Reidsville, the county seat of the county of his birth. After practicing law for a few years he moved his office to Savannah, Ga., believing that the opportunities that would present themselves to him in the larger city would be greater in number.

He was first elected to Congress in 1906. Hon. J. A. Brannen, of Statesboro, and Hon. Walter W. Sheppard, of Savannah, had been the candidates for the Democratic nomination in the primary held that year, the result of which was a deadlocked convention. Each of the candidates had 18 of the 36 county unit votes, but neither could secure the nomination. Finally, after the convention had been in session for approximately 60 days and had balloted more than 800 times, Mr. EDWARDS was nominated as the representative of the convention, and he continued to serve the people of the first district as their Representative in Congress for five successive Congresses. After having served his people in this capacity for 10 years, he voluntarily retired from public life. In 1924 he again became a candidate for the office and was elected. He was reelected in 1926, in 1928, and in 1930. He was never defeated for the office.

Mr. EDWARDS was a tireless worker. No constituency was ever better represented than were the people of the first congressional district of Georgia during the time that they were represented by him. He has often been referred to by his people as "the man of effort." In his efforts he was usually successful. He accomplished a great many things for the people of his district. His experience, gained by the time that he spent in Washington and his friendly contacts with other Members of Congress, made it possible for him to do many things for Georgia and Georgians that an inexperienced man could not have accomplished. Almost everyone who knew Mr. EDWARDS as the Representative of Georgia's first district in Congress knew about the magnificent work that he did while a member of the Rivers and Harbors Committee of this body. There was a time when he had seen more service on this committee than any other Democratic Member of the House, and he was therefore at that time the ranking Democratic member of this great and important committee. Georgia was always able to receive the consideration due her from the Rivers and Harbors Committee, mainly on account of the prestige and influence he had with his associates on this committee.

There is a feature of CHARLEY EDWARDS's service that few people know anything about. When he returned to Congress for his second long tour of duty in 1925, Mr. EDWARDS became a member of the Foreign Affairs Committee of the House. He soon learned that a great deal of favoritism was being shown in the Foreign Service to the wealthy, the influential, and those who could demand the assistance of skilled politicians. He set himself to work to correct this deplorable situation. Always the champion of the masses and the common people, who have few representatives who will interest themselves in them, he worked as faithfully in his efforts to reorganize and improve the Foreign Service of the United States as he did in his other work for the people of his district. He was instrumental in having carried into effect the provisions of the Rogers bill, an act that reorganized and improved conditions in the Foreign Service. If Mr. EDWARDS had rendered no service to his country other than that for which he is given credit as a member of the Foreign Affairs Committee of this House of Representatives, his public service would not have been in vain.

In evaluating the patriotic service that CHARLEY EDWARDS rendered to his country, there is one record of his achievements that is not to be found on the statute books of the Nation, nor is it contained in the CONGRESSIONAL RECORD, and the archives of the country do not disclose its existence. The enduring record of the fidelity and devotion to duty of CHARLES GORDON EDWARDS is to be found engraved in the hearts of the constituents whom he so faithfully and efficiently served. Many measures are enacted into law, accomplish their purpose, and pass into the realm of things that are forgotten, but the memory of CHARLES GORDON EDWARDS will not be so ephemeral. In the hearts of the citizens of the first district of Georgia, where he was born and reared and where he served for such a long period of time, is to be found a monument to my predecessor in office that will outlive any physical monument that might be erected to the memory of the departed great.

In village, town, and hamlet, and along the far-flung farms of the countryside are to be found rich and poor, old and young, humble and distinguished who recognized in CHARLES G. EDWARDS a faithful friend. It is only on the rarest of occasions that a constituency is so fortunate in having a Representative so devoted to their interests and to his duty as was this late-lamented comrade. His friendship for his constituents was not confined to his campaigns nor to the effort to secure advancement for himself. CHARLEY EDWARDS was a public servant whose interest in his constituents transcended any official capacity and extended to their personal well-being. Such devotion to constituents and friends could not escape reward, and the many times that Mr. EDWARDS was returned to serve in this distinguished body is mute evidence of the esteem in which his people held him. Many of you who were his colleagues here know of his efficient efforts in the House. Many of you are familiar with the conscientious manner in which he attended to the affairs of the Nation, his State, and his district; but only those who are familiar with his constituency and with the efforts and ambitions of the people whom he served can fully appreciate the sincere and faithful manner in which he brought to fulfillment his dynamic ideal of service to the common people.

It is an understatement to say that CHARLES GORDON EDWARDS was a faithful public servant, for the scope of his activity far exceeded the bounds of efficient official duty, no matter how broadly they may be interpreted. Only a man in whose heart blossomed the flower of human sympathy and understanding could render a stewardship so gratifying to the people whom he represented and loved. This patriot, who only a few months since passed on to his glorious reward,

was more than a Congressman, more than a public official, and more than a statesman. In deed and in truth, this man was a friend to man. No doubt he approached as nearly as does any other one individual of his time the ideal of the teachings of the Master when He said, "But I say unto you, love your enemies, bless them that curse you, do good to them that hate you, and pray for them which spitefully use you and persecute you; that ye may be the children of your Father which is in heaven." In reality CHARLEY EDWARDS was a child of God.

There are times when we are brought to realize the futility of words in expressing an emotion that transcends the common things of life and places humanity on a higher plane than that on which most mortals move. This is especially true as I attempt at this time to evaluate the services that CHARLEY EDWARDS rendered to the people of the first congressional district of Georgia. Words can but poorly express the feelings that his friends have in looking back upon his career. The record of the jewels of thought that he contributed to the counsels of the Nation are to be found in the archives and a monument will mark the last resting place of his mortal body, but it is in the hearts of his people that the memory of CHARLEY EDWARDS lives on and on and in this most sacred manner that his memory will go forward on down through the centuries. To paraphrase:

He shot an arrow into the air,
It fell to earth, he knew not where;
He breathed a song into the air,
It fell to earth, he knew not where;
Long afterward, in an oak,
He found the arrow still unbroke
And the song, from beginning to end,
He found again in the heart of a friend.

Mr. LARSEN. Mr. Speaker, I knew CHARLEY EDWARDS all his life and I loved him. We were both born in old Tattnall, now Evans County, Ga., just a few years apart. He was a member of a very substantial family and grew up in an atmosphere of character and refinement. He attended Gordon Institute, at Barnesville; Florida State College; and was graduated from the law department of the University of Georgia. His first location for the practice of law was at Reidsville, but he soon moved to Savannah, and when a very young man entered the field of politics. His political career can accurately be termed a stormy one, but he was unusually successful despite many obstacles. He was elected to the Sixtieth and the four succeeding Congresses, and voluntarily retired to resume the practice of law. He was again elected to the Sixty-ninth Congress and served continuously until his sudden death in July, 1931.

Charley was genial, affable, and cordial in manner. He had the faculty of making friends and holding them. This faculty took a wide range among all classes of people. I doubt if any man ever possessed this faculty to a greater degree than did CHARLEY EDWARDS. I never saw him depressed and I never heard him utter a single expression of despair. He thought well of his fellow Members. He was passionately devoted to his country. He cherished a divine hope of the future. No utterance of his on this floor could be classed as demagogic. He spoke his convictions and he voted them. He was no opportunist, no timeserver. He was a man of courage, of conviction, tender-hearted, and a true friend. He was a fond and devoted husband, and his love for his only son, Charles Beach, was one among the many beautiful characteristics of his life. If ever there was a true, loyal, and honest soul, it was in the bosom of CHARLEY EDWARDS. I miss him, but I seek some consolation in the following verses from the Psalm of Life:

Tell me not in mournful numbers
Life is but an empty dream,
For the soul is dead that slumbers,
And things are not what they seem.

Life is real, life is earnest,
And the grave is not its goal:
"Dust thou art, to dust returnest"
Was not spoken of the soul.

Charley still lives in memory of his many friends, in the hearts of his countrymen, and I am sure in restful peace in the world beyond.

Mr. RAMSPECK. Mr. Speaker, the death of my friend and former colleague CHARLES G. EDWARDS occurred from a heart ailment last July while he was seated in my office in Atlanta, engaged in conversation with myself and our colleague Mr. WRIGHT. The manner of his passing and its suddenness were, of course, a great shock.

It is always a sad experience to lose a dear friend. To have his death occur suddenly and in your presence is most distressing. To see the life of a beloved associate ebbing away while you are helpless to stop it is an experience that I will never forget.

It was my good fortune to know CHARLES G. EDWARDS for many years. When I came to Washington as a clerk in 1911, he was a Member of the House. While I was an employee of the House, he was kind to me and always friendly. That was his natural disposition.

When I returned to Washington in 1929 to become his colleague, he befriended me in every way possible. He was always ready to advise and help me with any problem. He was of great assistance to me in becoming familiar with my new duties, and often gave me counsel that was of great value.

Mr. EDWARDS was a true friend, a loyal and conscientious worker for the general welfare of our great Nation, and a tireless servant of his constituents. He was a devoted father and husband, a man who was devoted to his friends, and whose friends were countless. True to his convictions, he was, nevertheless, considerate and tolerant of others who might differ with him.

In his death Congress lost a valued Member, the Nation and his district lost a servant who always was true to the public trust, and I have sustained the loss of a true and beloved friend. My heart is filled with sympathy for the loved ones he left behind.

Mr. McKEOWN. Mr. Speaker, when I came to the Sixty-fifth Congress CHARLEY EDWARDS was retiring voluntarily after a successful career in the House. He won my admiration during the few days I was acquainted with him before leaving, and this contact ripened into a real friendship upon his return to the House as a Representative from his great State of Georgia.

Congressman EDWARDS was a wide-awake and useful Member of this body and served his State with honor and distinction. He had that rare virtue of loyalty to friendship. When he was your friend, it was for all times and not just for the occasion. He set a fine example for his splendid son, for whom he had an indescribable affection.

He was an indulgent husband and was never happier than when in the company of his faithful companion.

Nothing can take away the pang that we feel in separating from those we love. The more intense our love the more trying the final separation. But a life well spent and love in life requited is a balm for the broken heart.

Those whom the death of our friend touched most closely will not cease to lament their loss; but to recount his virtues will ever be a compensating pleasure. They gave to death what was mortal; they have with them the essence of his being, that which is immortal.

Hon. CHARLES G. EDWARDS was a gentleman of the highest type and his going was a great loss to his State and Nation.

Mr. TARVER. Mr. Speaker, the ability, character, and faithfulness which made CHARLEY EDWARDS impregnable in politics among the people of his district deeply endeared him to all others who knew him well and who had opportunity to appraise the qualities of the man.

As a member of the great Committee on Rivers and Harbors, he did effective work not only for Georgia but for the entire South. Nor was he sectional in his endeavors. Throughout his long period of service in the House of Representatives, he demonstrated the fact that he regarded himself as a representative of all the people of the Nation. He had a mind national in caliber, capable of visualizing and properly appraising great national problems. I shall never forget an occasion on the floor of the House when a Representative from one of the Eastern States made some remark intended as a reflection upon Georgia. Mr. EDWARDS immediately

arose and, securing recognition from the Chair, not only defended Georgia from the unjust attack but scathingly indicted all efforts to inject sectional differences and prejudices into discussions affecting the decision of national questions. That expression was representative of his entire career, which was one of faithful service not to a State or section only, but to an entire people.

The members of the Georgia delegation found in him a tower of strength in every worthy endeavor. He apparently got more pleasure out of aiding a colleague than out of accomplishing something for himself. Those of us who came to Congress during his incumbency will never forget the many kindnesses that he showered upon us.

His sudden death in July of last year was a tremendous shock not only to all of Georgia but to all of official Washington, who knew, loved, and respected him. He passed as he would have wished, not after long and distressing illness, but quietly and quickly,

> Like one who wraps the drapery of his couch
> About him, lies down to pleasant dreams.

Mr. CRISP. Mr. Speaker, in the city of Atlanta, Ga., on the 13th day of July, 1931, our beloved CHARLEY EDWARDS was called from his hosts of earthly friends to another and better world. There never lived a sweeter, friendlier man, nor one who loved his God and his fellow men more than he, and there is no question but that he is at rest in his heavenly home. His life and character are worthy of emulation.

Congressman EDWARD's father was a soldier under Gen. Joseph Wheeler in the War between the States, and his youth was nourished with fine traditions and highly cultured environment. Nevertheless, he was a real boy, slow to wrath and loving peace, but sometimes kindling to a righteous indignation. He dearly loved the woods and wild life. He also played the violin in his youth, and frequently while in Congress he would go out into his district and play the "fiddle," as he called it, for his country-folk dances. He wanted to always save and perpetuate the institutions and customs which the American people had acquired and approved in long centuries of conscientious and intelligent experiment. He was always in demand as a teacher in the various Bible classes in his district, as he was known as a profound Bible student. The last time he addressed a gathering of church people was in the Bull Street Baptist Church on Mother's Day, 1931. The 2,000 people who crowded the auditorium to hear him testified that it was a beautiful tribute he paid, in his eloquent way, to mothers.

It was characteristic of him that he was always in a good humor, and from the lips of his secretary for 21 years I learn that he never once in all that time came down to his office "with a grouch on." He was always considerate of his employee, treating him more like a member of the family than as a paid employee.

When he came to Congress at the early age of 28, he was always early at his office; and one day, while his secretary was out, the Congressman was pegging away at one of the typewriters—and he had good speed thereon when you consider he used only three fingers—when an elderly Congressman passed by his office and stopped and told him if he ever wanted to leave his Congressman, he could find a place for him in his office. Mr. EDWARDS appreciated this very, very much.

We are told that all pain, sickness, weariness, distress, and agony of body are to be treated reverently. Every sorrow is a billow in the world's troublous sea, which we must pass over on the cross to bear us nearer home. The cloud forms, drops its rain, and passes away for the sun to shine and the flower to bloom. The storm gathers, purifies the air, and passes away for the fragrant and healthful calm to settle like a benediction on the land. Affliction comes and passes away for peace, joy, and glory to appear. When one passes under the shadow of the Cross of Calvary he knows that through this shadow lies the passage to the great white throne.

CHARLEY EDWARDS was a loyal man. He was loyal to his family, and a beautiful affection bound that small but sacred circle. He was loyal to duty. He was loyal to his State. He was proud of the honor that had been conferred upon him. He did all that he could to measure up to his responsibilities and he measured well. He was of gentle spirit, tender in heart. One of his greatest joys was in being of service to his fellow man. His deeds of kindness and his lovely character and personality caused a bond to be woven between him and his constituency that was never broken.

His campaign speeches were based on truth, candor, and absence of self-laudation, and a sincere interest in the public welfare was manifest in every utterance of his plain, honest speech. He was free of demagogy. He would never deceive or mislead anyone for any cause or end. The first district of Georgia realized that he was a devoted and most valued servant in the Congress, for he "came out from among them," knew their needs, felt their impulses, shared their difficulties, bore with them their burdens, and rejoiced with them in their successes. In their churches and schools he was their faithful helper.

In his death a splendid, useful, noble life came to a lamented end. As the forest puts on its brightest robe to die in, so does such a life robe itself in its tints of eternal beauty as its last hour approaches. When we think of CHARLEY EDWARDS, we recall the saying of the sweet Bard of Avon:

> His life was gentle, and the elements so mix'd in him
> That nature might stand up, and say to all the world,
> This was a man

Because of their great beauty and eminent fitness, I am incorporating herein the remarks delivered upon the occasion of Congressman EDWARDS's funeral by Rev. John S. Wilder, pastor of the First Baptist Church of Savannah, Ga., than whom no more able or more beloved Christian leader ever lived:

[Savannah Evening Press of July 15, 1931]

The greatness of Congressman CHARLES GORDON EDWARDS is found in the simplicity of his life. From the farm to the Congressional Halls he was ever the same. No position of prosperity ever changed his disposition toward his duty or his constituency.

Another characteristic of his life was his approachableness. No man so poor or so rich that he was denied an audience. No matter was too small or too great that did not have his undivided and patient attention.

He lived a sacrificial life. His unbounded loyalty to duty, his constant and untiring efforts for his people sent him to an early and untimely death. He gave his life for others, never considering himself in the great task of the upbuilding and betterment of his people and the community which he so ably represented for a quarter of a century, most of this time as our honored and beloved Congressman of the first district of Georgia.

Savannah, Chatham County, the first district, and the State of Georgia have sustained a loss which will not be easy to replace. No man of modern times has worked harder or fought longer or given more of his time, talent, and strength for the development of our community than he.

He was a real politician. He set an example in politics which may well be emulated by those who may engage in future governmental affairs. He was clean and upright, wise and judicious in all of his elections. He was fair and honest with his opponents. His life was devoid of the usual invectives and mud slinging. Ever and anon he fought vigorously, but always upon a high plane; issues and not men were his forte. He was a man of unquestionable integrity and lived, as he died, with a clear conscience.

He was a Christian gentleman. Although busy daily with the arduous duties of his high office, he found time to attend his church and worship God. During my intimacy with him in the last years of his life, I discovered in him that keen sense of nobility which characterizes the children of God.

He was a real man. The world loves a real man, and Congressman EDWARDS won that love and retained it to his death day.

No man can retain the love and confidence of a community over a period of half his life without having the qualities of a real man existing in him.

His interest in young men remains unquestioned. He fathered many young men, assisting them with his means and advice, and those young men live to bear testimony to his golden character.

He was a real, genuine friend. In the innermost recesses of his soul there was hidden a spring of true friendship, which flowed generously into the hearts of his fellow men. His heart was filled with the confidence of those who approached him. This characteristic is manifested by his constant reference to that beautiful poem of Sam Walter Foss, The House by the Side of the Road.

He was a devoted husband and father. His private and home life was one of joy and supreme happiness. His mind and heart were ever centered upon those who were near and dear to him by ties of kinship.

We shall miss him; but, thank God, our loss is his gain. He has gone home to receive his eternal reward, and God grant that

on that great and eternal day we shall all meet him again beyond the silent river in that city where death and separation will be known no more.

CHARLES GORDON EDWARDS will never die; he will live on in the impulses of the unborn generations and, his name having been registered with the blessed of the earth, will never perish. God says, "The memory of the just is blessed; but the name of the wicked shall rot."

Mr. HARE. Mr. Speaker, I had heard and known of the conspicuous services of the Hon. CHARLES G. EDWARDS, of Georgia, long before I was elected to the United States House of Representatives in 1924. After coming here we represented adjoining districts on the Savannah River, and, therefore, had many problems of local interest in common. He was my senior in legislative experience by 10 or 12 years, and I was greatly pleased when I found him taking a keen personal interest in the problems of my district. I soon learned to call upon him for suggestions and advice, for it was one of the outstanding characteristics of his life to be of service to his friends. He made special efforts to assist whenever possible, and I was not long in learning to appreciate his interest and to recognize the value of his judgment in legislative matters.

It was his good fortune in early life to learn that success in any vocation is contingent upon hard work and conscientious discharge of duty. He acquired the habit of both in his youth, and they proved to be great factors in making him an unusually successful Member of Congress. He was not content to be a follower in legislative matters. He was constructive in his ideas and was always found taking the initiative in legislation he thought to be for the betterment of the people he represented and the country at large. There was no interest in his district that did not receive the full measure of his consideration and efforts.

While he lived in the largest city of his district and was very active in promoting the river and harbor activities of his home city—Savannah, Ga.—he never lost sight of the environment of his youth and the problems of his rural constituency. As a matter of fact, if there were any difference in the degree of consideration shown to the problems of the commercial and agricultural activities of his district, I think he would have preferred to emphasize the problems of rural life. For many years he labored both in season and out of season to secure the construction of a bridge across the Savannah River to afford greater opportunities to the people in Effingham, Screven, and adjoining counties in Georgia and those living across the river in Allendale, Barnwell, Bamberg, and adjoining counties in South Carolina.

It was through his untiring and energetic efforts that we finally succeeded in securing the passage of a bill through Congress giving the States of Georgia and South Carolina the right to construct such a bridge. He had given considerable attention to this project before I was elected to Congress and took the initiative afterwards, but upon the passage of the act referred to he was so generous and unselfish that in his public utterances he never claimed credit for more than having assisted in the matter. In reality, he should be credited with having originated the idea and contributed more toward its success than any other one person. I refer to this to illustrate an outstanding, unselfish characteristic in his life, a virtue not often found among men in public life, for they usually claim credit for all they do.

He attained one of his greatest political aspirations when he became a member of the Rivers and Harbors Committee in the last Congress; and there is no doubt, if he had been spared, that his ability and leadership would have been abundantly recognized as opportunities arose in this new field of legislative experience.

Mr. LANKFORD of Georgia. Mr. Speaker, the true representative in Congress is he who thinks the thoughts of his people, is in thorough sympathy with their every need, lives their very lives, is the embodiment of all that is highest and best in them, and loves them with a devotion that makes a benediction of the hardest labor in their behalf. Measured by this standard, Congressman EDWARDS was truly a representative of the people who gladly honored him so often and so greatly.

He was acquainted with, understood fully, and was in deepest sympathy with the whole range of human passion and endeavor from the heartaches of the poorest and humblest to the greatest and most exalted. It was not necessary for him to make inquiry of his people in order to vote or act for their best interest. Being of them, his every impulse was for their interest, and yet he "listened alike to the stars and birds, to babes and sages, with open heart." He always looked for the best in others and gave them the best he had. He lived much because he loved much. He loved the beautiful in nature and art; he loved birds, trees, flowers. He loved his fellows. He lived the best of all lives, a life of love and of service—the service that has the diviner attributes of forgetfulness of self and service to others.

Mr. EDWARDS was a most valuable Member of the House. He not only served well his district but rendered most splendid service to the whole Nation. For many years I recognized this to the fullest extent, and during an address on the 8th day of May, 1930, on the floor of the House I said:

> While giving credit to those who helped in the passage of the recent river and harbor bill, and thus rendered such splendid service to Georgia, the entire Atlantic seaboard, and the Nation, I again and again recall the faithful, thoughtful, and efficient service of my good friend and colleague from Georgia [Mr. EDWARDS]. I know many of my items, as well as many items from New York to Key West, would not have been included in the bill except for his untiring, faithful service; and not only Georgia but the entire Nation is to be congratulated upon the decision of Mr. EDWARDS to again go upon the Rivers and Harbors Committee and take up anew his splendid work where he served so efficiently and helpfully several years ago.

After Mr. EDWARDS's death I succeeded him on the House Committee on Rivers and Harbors, and realize more fully than ever the great service he rendered on this vitally important committee. In every particular he measured up to the highest standard of a noble man and a true representative of a most splendid people.

It is so sad for a man so well equipped and so true to the highest and noblest ideals of his people to die so young, when his splendid training and innate honesty are so much needed in the solution of the mighty problems of the present.

It seemed that his work was just begun. There was so much more he wanted to do. He had so many noble plans when he was called.

The plans, details, and specifications were on the trestle board, the working tools were on every hand and ready, the machinery was being installed as the master builder was called to a higher and better, everlasting service and mission. And yet, Mr. Speaker, none of the splendid service of CHARLES GORDON EDWARDS is lost. God gathers up and saves for all humanity through all eternity the golden grains of such greatness and nobleness.

Mr. EDWARDS's last words on the floor of the House of Representatives show his love of his fellow man, his great Christian faith, and were truly prophetic.

On the 4th of March, 1931, the last day of the Seventy-first Congress, just before adjournment, he made his last speech in the House of Representatives, a most splendid tribute to Hon. Thomas M. Bell, who was retiring at the end of that session. In concluding that address, Mr. EDWARDS said:

> This hour brings sad thoughts. Many of us will never gather here again. To you all, in concluding, let me say, God be with you until we meet again.

The Christian life of Mr. EDWARDS was such that if he could have seen all his friends just before the end and had known he was to go so soon, he would have said:

> Say not "Good night," but in some brighter clime
> Bid me "Good morning."

He had every reason to gloriously sing:

> For tho' from out our bourne of Time and Place
> The flood may bear me far,
> I hope to see my Pilot face to face
> When I have crost the bar.

May the last words and prayer of our friend on this floor be answered. May we all join in his prayer and in the prayer of the poet—

Twilight and evening bell,
And after that the dark!
And may there be no sadness of farewell
When I embark.

Mr. Speaker, the Hon. CHARLES GORDON EDWARDS wrote his own eulogy on the everlasting pages of history and on the noble hearts of his countrymen. The highest tribute we can offer is worth more to us than to him. His life was an inspiration and his memory is a benediction.

Mr. Speaker, during the first 12 years of my service here only two of my colleagues passed into the Great Beyond.

First I went to Georgia with all that was mortal of the late Senator Thomas E. Watson, of Georgia, and saw him returned to mother earth at Thomson, Ga. Several years later I left in Washington in apparently good health my good friend Hon. Leslie J. Steele, of the fifth Georgia district, only a few days later to be notified of his passing and to attend his funeral at Decatur, Ga., where I saw him for the last time until the great awakening.

Now during the last 12 months I have been notified of the death and attended the funeral of three of my beloved colleagues, first Hon. CHARLES GORDON EDWARDS, of the first congressional district, who was buried in Savannah; next Hon. Samuel Rutherford, who was buried in Forsyth; and last Senator William J. Harris, who was buried recently in Cedartown.

When sorrows come, they come not single spies, but in battalions.

Three nobler, truer friends of mankind never lived. Their work is imperishable. It will last as long as yonder sun shall shine.

Mr. WRIGHT. Mr. Speaker, CHARLES GORDON EDWARDS was born July 16, 1878, at Daisy, Evans County, Ga.; was reared on a farm; educated in the public schools, Gordon Institute at Barnesville, Ga.; later attended Florida State College, now University of Florida, and graduated from the University of Georgia with the degree of LL. B.

Immediately after his graduation he began the practice of law in Reidsville, Ga., where he continued to practice until December, 1900, when he located at Savannah, Ga. He was elected to the Sixtieth, Sixty-first, Sixty-second, Sixty-third, and Sixty-fourth Congresses from the first district of Georgia, and voluntarily retired March 4, 1917, when he again entered the practice of law at Savannah, Ga. In November, 1924, he was again elected to Congress from the first Georgia district, and was elected each succeeding term thereafter.

On July 13, 1931, while in conference with Congressman RAMSPECK and me in the office of Mr. RAMSPECK in the city of Atlanta, Ga., Mr. EDWARDS was suddenly stricken and passed away peacefully in my arms.

From the time he entered Congress, March 4, 1925, a warm personal friendship arose between us, which extended to the time of his sudden passing; and my intimate contact with him during these years afforded me opportunity to know his many virtues and splendid qualities. Of pleasing personality and always obliging, one had but to know him to admire him. Being jovial by nature and always courteous and polite, he was a veritable ray of sunshine among those with whom he associated. He was truly a prince among men.

He had an unusually alert mind, and the power of grasping and analyzing any question or proposition almost instantly, and was always ready with an answer to any question which arose.

He was an eloquent and forceful advocate, well grounded in the principles of law, and, indeed, was an able and accomplished lawyer.

As a legislator he was quite alert, yet conservative, and his appraisal and judgment on legislation was invariably sound. He was an energetic and intelligent worker, and never tired in the service of his constituents and in looking after their every want, whether great or small.

As an evidence of his popularity and the esteem in which he was held, many commendatory resolutions, and those of sympathy, were adopted, among which might be cited a resolution by the House of Representatives of Georgia; one by the State Senate of Georgia; one by the Kiwanis Club of Waycross; one by the Democratic executive committee of the first district of Georgia; one by the Bull Street Bible class of Savannah, Ga.; one by the commissioners of roads and revenue of Liberty County, Ga.; one by the Savannah District Council, No. 1, Daughters of the American Revolution; one by the Sons of Confederate Veterans, of Savannah, Ga.; one by the Savannah Aerie of Eagles, No. 330; one by the Commissioners' Court of Chatham County, Ga.; and a memorial by the bar of Chatham County, which is a splendid and most-deserved tribute to his life and character. This memorial is so appropriate and expressive that I venture to incorporate some brief extracts from it, as follows:

CHARLES GORDON EDWARDS lived a sacrificial life. He gave no thought of himself in his great undertaking for the upbuilding and betterment of the district which he served and the people whose good opinion he cherished. Truly, he gave his life for others. He was unaffected, open hearted, and sincere. No request for service by any constituent was ever unheeded by him. The rich and the poor, the humble and the exalted, were all his neighbors.

In his public life his career was without spot or blemish. He was clean and upright, generous to a fault, fair and honest with all. His word was his bond.

CHARLES GORDON EDWARDS impressed himself upon the minds and hearts of his people mainly because of their absolute faith in the integrity of his motives and in the rectitude of his purposes. He abhorred sham and hypocrisy.

The family of my departed friend consisted of his devoted wife, Mrs. Ora Beach Edwards, and his loyal son, Charles Beach Edwards; and it would be inappropriate to close these remarks without reference to his exemplary home life, where his shining qualities literally radiated. Knowing whereof I speak, I can truly say no husband and father was ever more affectionate and considerate. It seemed to be nature with him to anticipate and supply everything which would add to the pleasure and comfort of his splendid wife and son, and their relations in the home were ideal and reciprocal and might be termed a perfect home.

Mr. MOBLEY. Mr. Speaker, under the leave to extend my remarks in the RECORD, I include a statement by Hon. WALTER F. GEORGE, as follows:

The biography of a public servant, like the biography of a private citizen, discloses little of the life and character of the man. Those who have served together in a common cause generally acquire a knowledge of the value and worth of the life and character of the true servant not revealed in the chronological account of those events which are noted by our fellow citizens in private life.

The world knows that CHARLES G. EDWARDS was elected to the Sixtieth Congress and served with distinction in the House of Representatives through the Sixtieth, Sixty-first, Sixty-second, Sixty-third, and Sixty-fourth Congresses; that his retirement at the end of the Sixty-fourth Congress was voluntary; and that he was again elected to the Sixty-ninth, Seventieth, Seventy-first, and Seventy-second Congress. His public career was closed by death during his service as a Member of the Seventy-second Congress. The friends and neighbors of CHARLEY EDWARDS knew that he was born and reared on a farm in Tattnall County, now Evans, of honorable parentage; that the Edwards family is a large and influential family in southeast Georgia; that Charley attended public schools of Tattnall County; Gordon Institute, at Barnesville, Ga.; Florida State College, then located at Lake City, Fla.; and that he graduated in law from the University of Georgia, in his native State.

He engaged in the general practice of law; served as president of the board of trade of his adopted city, Savannah, Ga.; as a member of the Savannah Harbor Commission; and was active throughout his life in the agricultural, commercial, civic, fraternal, educational, and religious life of his city and State.

He married Miss Ora Beach, the daughter of the Hon. and Mrs. W. W. Beach, of Waycross, Ga. His only son, Beach Edwards, is now an honored member of the Savannah bar. To his faithful wife and his son he left a legacy of a life of service—countless friends who knew and loved CHARLEY EDWARDS.

CHARLEY EDWARDS and I were born during the same year, 1878. He was my junior by a few months. During many years I knew him intimately and loved him devotedly. He acquired friends naturally and held them by his fidelity. At his death his friends in Congress were numbered by the membership of both the House and the Senate. Genial and unselfish, he happily excited no jealousies and died in the established affection of those who served with him as well as the great constituency of the old first district of Georgia, whom he served so long and so faithfully.

Born on a farm and reared among farmers, he loved them and worked untiringly for them, their wives, and their children. He took his place, nevertheless, in the life of a great city—historic Savannah, a city fortified by a glorious history and strengthened and inspired by its distinctive ideals and standards.

CHARLEY EDWARDS studied faithfully the larger problems before the Congress during his relatively long years of service and he worked untiringly for the interest of his district. He kept in constant and close touch with the people of his district without regard to rank or station. He possessed intimate knowledge of the needs and problems of his people; it would be difficult to name another Member of Congress from any State who gave more unsparingly of his time and thought to the service of his people.

His memory will be cherished by those who knew him at home and by those who were privileged to serve with him and to share his confidence and wise counsel in public affairs.

BIRD J. VINCENT

Mr. HOOPER. Mr. Speaker, on July 18, 1931, Hon. BIRD J. VINCENT, for five terms a Representative from the eighth district of Michigan, died on his return from Hawaii, where he had gone in search of health. The news of his death brought sorrow to the many thousands in his district who had for years loved and honored him and to the Members of the House of Representatives who had the intimate knowledge of his fine qualities of heart and mind which our close association brings; his loss was, and continues to be, keenly felt.

In the 51 years of his life Mr. VINCENT had acquired a wealth of experience and knowledge which, with his health, he spent lavishly for the public good. The son of a Michigan farmer, he was admitted to the bar in 1905 and soon after entered upon a continuous career of public service which ended only with his death. In 1909 he became assistant prosecuting attorney of Saginaw County, and was later elected prosecuting attorney. Almost at once he gained the reputation of being a remarkable trial lawyer. This reputation was well deserved. I never knew a clearer thinker, nor one who could better analyze, in terse and pithy speech, a problem, whether legislative or legal, to which he bent his mind. He had the ability to state in a single sentence an involved proposition, legal or otherwise, more definitely than most experienced lawyers could do in many sentences. The ambiguous phrase, the word of doubtful application, had no place in his utterances. He unerringly selected the right word, the apt phrase. This made him a power in court and forum. Yet I think that his success with courts and juries and in this Chamber was due less perhaps to this than to his robust integrity, his reputation for truth and honesty and fair dealing, which followed him throughout his life.

Though always frail of body, he passed the rigorous test which in the early days of the war sent him overseas as a first lieutenant of Infantry. He served in France from July, 1918, to May 8, 1919, and reached his home in Saginaw to learn that the council of the city had tendered him the position of city attorney. He held this place with honor and ability until on the retirement of Hon. Joseph Fordney he was elected to the Sixty-eighth Congress.

Most of the present Members know of his work here. Most of them know of his brave struggle with ill health, the direct result of his military service. They know of his faithful work in committee and on the floor of the House. His fellow members of the Immigration Committee would tell you that he was its ablest lawyer. His great and lawyerlike presentation of the contested-election case of Hon. JAMES M. BECK won for him new admiration and esteem. He was one of the most valuable members of the Veterans' Committee. He rarely spoke from the floor, but when he did he had the attention of the House from the beginning to the end of his speech, and those who might not agree with him heard him with deep admiration and respect.

He was a brave soldier, a distinguished lawyer, and an efficient legislator. He added to the prestige of this body and to its usefulness. The last years of his life were a constant battle with disease and pain, but he toiled on undaunted and cheerful, doing each day's work well. To him the humbler task was as important as the greater. All of his energy, all of his devotion, all of his patriotism were at all times at the service of his constituents and his country.

"Earth may run red with other wars; he is at peace." The quiet spot at Saginaw where repose his ashes is a sacred spot to us who knew his worth. Soldier and statesman, lover of his country—sweet be his sleep and waking.

Mr. WOODRUFF. Mr. Speaker, I rise for the purpose of paying a brief and humble tribute to the memory of my distinguished colleague, BIRD J. VINCENT, of Saginaw, who for nearly nine years served in this great legislative body the eighth congressional district of Michigan with honor, marked ability, and distinction.

Congressman VINCENT was cut off in the midst of a career of great promise and unusual accomplishment. He was exceptionally well equipped for the duties of his high office, having graduated from the law school of the University of Michigan, and after a period of private practice in the legal profession served nine years as assistant prosecuting attorney and prosecuting attorney of his county, which latter office he patriotically resigned to enter the United States Army at the outbreak of the war in 1917. He served as a first lieutenant of Infantry for 21 months, 10 months of which were spent on the battlefields of France. Returning to his native soil, he then took up the thread of his legal career, serving as city attorney of Saginaw until his election to the Sixty-eighth Congress.

The eighth congressional district of Michigan adjoins the tenth district which I have the honor to represent. Further, Mr. VINCENT's home city and mine adjoin. Our former acquaintance ripened into a fast friendship, which continued until his untimely death. He was of a very retiring and unassuming nature, but a man of rare judgment, discernment, and political sagacity. So well formed and mature were his judgments that his colleagues sought his counsel and relied upon his advice whenever matters of mutual concern to our beloved State and Nation were involved.

He was utterly unselfish in the discharge of public duties. He knew no other ideal of service except that which represented the best interests of his constituency and the American people. No interests, it mattered not how great or influential, and no cause, it mattered not to what extent it appeared to be backed by popular clamor and public sentiment, could ever swerve him from what he considered to be the path of truth and wisdom.

But this great devotion exacted a toll of health to which he paid no heed, in his zeal and undiminished exertions for the public weal.

In coming years when the young man shall enter the public service and shall seek for guidance and civic courage, he will find no more illustrious exemplar of the true and tried public servant than that of BIRD J. VINCENT, to whose memory we are to-day paying a feeble tribute.

SAMUEL COLLIER MAJOR

Mr. JOHNSON of Missouri. Mr. Speaker, at this solemn hour we are again reminded that in the presence of life the mysterious messenger Death has invaded and depleted our ranks.

The Grim Reaper called from our midst one of the ablest statesmen serving in this great body, the Hon. SAMUEL C. MAJOR, of Missouri. He was my true, close friend. I deeply miss him. With a heart heavily laden with sorrow but ever filled with the choicest memories of my personal associations with him, I give these expressions in his honor.

It is difficult for the finite mind to comprehend why he should have been taken from us at a time when he was rendering such signal and valuable service to the Nation. His work has not ceased. He has merely been translated from this imperfect to that all-perfect celestial sphere where he may more fully function throughout eternity in the magnetic presence of Him who surely ordereth all things well. I am persuaded that approvingly at this hour he is viewing our efforts and would give us the message ceaselessly to battle for the public welfare.

SAMUEL C. MAJOR was born in Fayette, Howard County, Mo., July 2, 1869. After graduating from Central College of his home city and the St. James Military Academy of Macon,

Mo., he studied law, was admitted to the bar, and because of his ability and sterling character, soon became one of the leading lawyers of central Missouri.

Following in the footsteps of his illustrious father, it was natural for him to desire to render service to the public. He was appointed prosecuting attorney of Howard County in 1892, and thereafter was twice elected to such office.

He was elected to the Forty-fourth and Forty-fifth General Assemblies of Missouri. He was elected to the Sixty-sixth, Sixty-eighth, Sixty-ninth, Seventieth, and Seventy-second Congresses. In all of his long and useful official life he rendered faithful and efficient services. He was never prompted by selfish motives but always had the single purpose to do those things best for the welfare of those whom he represented. In the National Congress he soon was recognized as one of its ablest and most influential Members. He was honored by being appointed to the major Committee on the Judiciary, and at the time of his death was recognized as one of the most influential members of such committee.

The footprints he left in the sands of time will ever be sure guideposts to point the way to those who follow in their efforts to serve the public. As his successor I feel my inability to measure up to the high standards set by him; but strengthened by the impress of his influence and ideals, I am given courage to battle for those principles of right and justice in which he so devoutly believed.

SAM MAJOR was a man of high, charitable, and noble character and purpose. He has left an impress for good in my State and the Nation that the lapse of time can not efface. He had the most ideal and happy home life and left a wife and two daughters to mourn his departure. As his friends, we sorrow with them; but with confidence and composure we look forward to that time when all mysteries shall be cleared away, when we shall fully know and understand, and when we shall again be reunited with our friends who have for a short time preceded us to those shores which are eternal.

Mr. LOZIER. Mr. Speaker, in the death of Hon. SAMUEL C. MAJOR this House lost one of its most beloved, useful, and influential Members. He brought to the discharge of his duties a well-trained mind, sound judgment, honest intellectual processes, industry, and an unusual capacity for efficient public service. He was an able and successful lawyer, well schooled in both the philosophy and the exalted traditions of his profession. The son of a lawyer of distinction, he was ambitious, by his own efforts, to achieve success in the profession that has so materially contributed to the founding and development of our free institutions. He had both the will and the ability to succeed. As Tennyson, in Aylmer's Field, said, he—

> Mastering the lawless science of our law,
> That codeless myriad of precedent,
> That wilderness of single instances,
> Thro' which a few, by wit or fortune led,
> May beat a pathway out to wealth and fame.

With SAMUEL C. MAJOR, justice was the life of the law, and, like Justinian, he looked upon our jurisprudence as the perfection of human reason and human experience functioning for the benefit of the public. He had a wholesome respect for the law, believing that where law ends there tyranny begins.

In the practice of law he held steadily to the high ideals of his profession. He was an eloquent and convincing speaker. His sincerity and candor disarmed his adversaries and bound men to him as with hoops of steel.

As a member of the State senate he served the people of his Commonwealth ably and honorably. As a Member of the House of Representatives, the greatest legislative body in the world, he was faithful to every trust. He was diligent and painstaking. He was loyal to his constituents. He endeavored to speak their language, reflect their wishes, protect their interests, and promote their welfare. He had the confidence and respect of his colleagues, who loved him for his many fine qualities of mind and heart. No dishonest dollar ever crossed his palm. He has left behind a record of faithful and efficient service.

In our feeble and finite method of thinking, we look upon the death of SAMUEL C. MAJOR as untimely; but measured by God's infallible standard, he lived out his allotted time and made his foreordained contribution to his day and generation. Out of the silent shadows he came into this old world to abide in the habitations of men three score and three years. While life is even a vapor that appeareth for a little time and then vanishes away; or a bubble, and its short duration forbids that we cherish long hopes, still SAMUEL C. MAJOR did not grumble or quarrel with destiny, but in the perplexities of his active professional and public career he met disappointment and the fortuitous concourse of events with a courage that challenged admiration.

His was not always a flower-skirted path. His lot was not one of ease, indolence, or unalloyed pleasure. Destiny decreed that he grapple with the stern realities of life. By hard knocks and by force of his own indomitable will he won his spurs and earned the respect of those with whom he touched elbows in his journey from the cradle to the grave.

In all the vicissitudes of a busy and strenuous career SAMUEL C. MAJOR held fast to his integrity and scorned to sacrifice principles on the sharp edge of expediency. He did not drift with the tide. His record was not written in shifting sands or sluggish dust but in the hearts and affection of all who came under the influence of his magnetic personality. He was not a broken and bruised reed, the sport of every wind of doctrine, but robust and steadfast in his convictions and in his devotion to his friends.

He was securely anchored in the confidence and good will of his constituents, who delighted to honor him as their Representative. When life's sun had scarcely passed its full meridian, weary from toil and bending beneath the load of an ever-increasing affliction, he returned from the Nation's Capital to the community that give him birth, and which to him was not only home but the most sacred place in all the earth. There among loyal and devoted friends he fought his last and only losing battle. There he watched the approach of the ever-lengthening evening shadows. There he saw the sun sink in the gray gathering western gloom. There he watched the swiftly flowing sands of life run their last course. There he saw the candle flicker and fade. There, in that holy and sacred environment, he lay down in that dreamless sleep that to this finite life knows no waking. There loving hands drew the curtain when his drama was played out. There Death kissed his lips into eternal silence. From the communion and companionship of friends and loved ones he passed over the Great Divide, down life's western slope, and across the tideless, waveless sea into that mysterious realm from whence his spirit came.

If we had the magic power, which one of us would recall him from the land of shadows? Who will question the wisdom of an overruling Providence in depriving us of his congenial companionship? Who among us will soon forget his smile, his handshake, his words of cheer, and the influence of his genial personality?

He was an honored son of old Howard, the mother of many Missouri counties, and the abode of as high type of citizenship as the world has so far produced. He was a worthy representative of that rugged race of Missourians who laid deep and strong the foundation of our great Commonwealth and built thereon our marvelous free institutions.

It was my mournful privilege to follow his pulseless clay to the silent city of the dead. In that sun-kissed, windswept, verdure-carpeted God's acre, all that is mortal of SAMUEL C. MAJOR is crumbling to dust, but his rich and rare and radiant spirit abides with the Infinite.

Mr. FULBRIGHT. Mr. Speaker, the announcement of the death of SAM C. MAJOR came to me as a bolt from the blue. Under such circumstances we find ourselves ill prepared to meet the shock. If our kindly thoughts and affection could have stayed the hand of fate, he would have been spared. It was hard to witness his passing when we so much needed his kindly friendship, his genial comradeship, his

judgment, and advice. He left behind an enviable record of service to his community, to his State, and to his Nation. He was honest, industrious, and courageous. His genial and pleasing personality won the love and respect of all.

The Nation has lost an able and courageous legislator, his colleagues a loyal companion, his district and State a capable, conscientious, and sympathetic servant. His wife has lost a faithful husband, his children a devoted father, and all the world a friend. To meet him was to respect him. To know him was to love him. Of him it can be said that he scattered flowers, radiated sunshine, and made the world a better place in which to live. It is fine to be able to say of him that he enjoyed the unstinted respect and love of those associated with him in the Nation's affairs. He wrote his name upon the honorable roster of those who served in this great arena and high upon the bright escutcheon of a glorious State. This fallen comrade believed that in the Christian faith he found the answer to the world's quest for life as well as the firm foundation of the Republic that he loved and served. He died sustained by the glorious hope of life beyond the tomb. He bequeathed to his family, to us, and to the world the heritage of an all-abiding, all-conquering faith. He loved his country, was a product of its institutions, an incarnation of its spirit. He held in sacred honor those principles of life and government, of social and industrial progress that have made America great and her people free. But he is with us no more. God's finger touched him and he slept.

So rest in that heavenly slumber,
Your toils and sorrows are past;
And the world that you love will rest also
When the peace of your dreams comes at last.

Mr. WILLIAMS of Missouri. Mr. Speaker, SAM C. MAJOR was one of Missouri's great, good men. He was recognized as one of the outstanding lawyers of the State, learned and resourceful in his profession. For a number of years he served the people of his State in official life, where his services were of the highest and most efficient type. For several terms he represented his district and the Nation in the House of Representatives with great ability and distinction. His splendid public service is deeply appreciated by the people of the country and will be gratefully remembered. His brilliant public career was unfortunately brought to a close by the untimely hand of death, he having been elected to the Seventy-second Congress.

Those who knew him best had the most implicit confidence in him and few men were ever held in higher esteem by his close friends and associates. He was loyal, grateful, and devoted to his people. In any movement to help a friend he remained firm and steadfast to the end. Any cause he advocated had his undivided support and his untiring efforts until the fight was finished. He never wavered or turned his back in the thick of the fray. He was public-spirited, generous, and kind.

His sociable and genial disposition is remembered by all. Faultfinding, criticism, grumbling, and complaining had no part in his make-up. Gloom and despondency, sadness and despair were unknown to his philosophy of life. He always spoke a word of good cheer and brought with him joy and laughter and left in his wake smiles and gladness. His time was not spent in the shades and in the shadows, but he lived in the broad, bright light of day, pushing back the curtains of doubt and gloom and despair to let in the blessed sunshine of fellowship and good will. The world is better, brighter, and happier by reason of his sojourn in it.

Of striking, attractive personality, of great and splendid ability, of affable and friendly disposition, of polished and refined manners, of sturdy, stalwart manhood, and of fine, sterling character, he made his impress upon his State and Nation, and his multitude of friends mourn his passing.

Mr. NELSON of Missouri. Mr. Speaker, in the death of Hon. SAM C. MAJOR, late a Representative in Congress from the seventh Missouri district, this House lost one of its most able and most beloved Members. Mr. MAJOR, or "Sam" to those who knew and loved him, was my neighbor. Born and reared in adjoining counties, we early came to know each other, and to know SAM MAJOR was to have a real affection for him. We served together in the Missouri Legislature, where he made a record for efficiency, faithfulness, and devotion to duty, just as he later made in the National Congress.

The son of a distinguished lawyer and one of central Missouri's outstanding citizens, Representative MAJOR lent further luster to the family name. Many times honored by the voters, he nevertheless remained a plain, everyday American, never once permitting himself to feel that he had been lifted out from among the people he so devotedly loved. Always he was one of them. He was democratic, never puffed up, never unduly proud, always approachable.

It is doubtful if in recent years there has been in this House a Member more universally loved. Never surrendering his convictions, he was always tolerant of the views of the other man, and differences of opinion never separated him from a friend. Big of heart, of mind, and of body, he looked for bigness rather than for littleness in folks, and, looking for it, found it.

When, after weeks of illness, Mr. MAJOR passed on to that better land, the people of his home county of Howard and of the great State of Missouri gathered at Fayette to do honor to his memory and to indicate the great love and admiration they had for a man among men.

Mr. McKEOWN. Mr. Speaker, when the Sixty-sixth Congress closed, Hon. SAM MAJOR and myself told each other good-by as we started to our respective homes, both with the purpose of retiring from public life. We had both been defeated in the presidential landslide.

When I returned to the Sixty-eighth Congress the first man I spoke to in the new Congress was my old friend, SAM MAJOR. We resumed a friendship that lasted until his going.

"Sam," as he was affectionately called by his colleagues, was a lawyer of great ability and was placed upon the great Judiciary Committee, where he served with great distinction. He was a representative of the masses and had the human sympathy in his heart that touches all mankind.

It is sad to contemplate the death of a friend, a brother, a sister, a father, or a mother; but rather would I look at death as a temporary separation, the beginning of a new life, a life better, nobler, and greater than the one through which we are now passing—an advanced step in God's eternal plan.

SAMUEL C. MAJOR was an outstanding figure in the House and a splendid debater on the floor. He was a splendid man, a loyal citizen of his country, and a devoted officer of his Government. He won a deep-seated affection in my heart and in the heart of his colleagues. His passing was a distinct loss to the House, to his district, and to the State which he so ably represented here. America needs now, and in the future, men of the fiber of SAM MAJOR.

Mr. DICKINSON. Mr. Speaker, Hon. SAM C. MAJOR, former Representative of the seventh congressional district of Missouri, was born in Fayette, Howard County, Mo., on July 2, 1869, and there he spent his notable life. He bore the same name as his distinguished father and grandfather. He was educated in the public schools and Central College at Fayette and St. James Military Academy at Macon, Mo. He married Miss Elizabeth M. Simpson, of St. Louis, on December 17, 1895. He was admitted to the bar in July, 1890. A lawyer by profession, he enjoyed a large and successful practice. He was prosecuting attorney of his county for three terms, State senator from his district, and Representative in Congress for four terms, and elected for the fifth term from a great district which he served with marked and distinguished ability.

He was loved as few men are. I was in his little city during his last illness, and I attended his funeral when a great concourse of relatives and friends gathered from far and near to do honor to his memory. Time and again I heard on the streets of his home city, "Everybody loved

SAM MAJOR." He was a loyal friend, a most lovable character, of marked ability, natural in his conduct and manners and methods. He abounded in common sense. He was worthy of the trust and confidence of all who knew him. He was my friend, and that friendship I valued. I loved him for his great worth and his manly qualities of mind and heart. He was one of God's noblemen. With sorrow and a sweet recollection of his many virtues, I am glad to pay humble tribute in a few simple words to his memory.

To say more would be but to amplify the deeds and value of the life of this unusual man. His work and industry were notable in every line of duty. His services as prosecuting attorney were notable, aggressive, and efficient. His record as State senator was of great service to his State. It was dignified and constructive and laid the foundation for wider and greater service in the National House of Representatives, where he commanded the respect, admiration, and confidence of all who knew and served with him. He had a clear mind and reached his own conclusions after close study of every essential problem submitted to Congress.

An outstanding element in the character of this able legislator was his courage in standing by his convictions. He sought the right on every proposition and boldly, by word and vote, declared his position. He was a strong man, worthy of the great confidence given him by his constituents. He left a record and history of which all his friends are justly proud.

A great lawyer, a noted legislator and loyal friend, a most lovable character, and a great citizen has gone into the Great Beyond with a sweet memory of his many virtues left as a legacy for all who knew him.

Mr. MANLOVE. Mr. Speaker, Hon. SAMUEL C. MAJOR is gone. He was a friend to mankind. He was accommodating, industrious, and courageous. His very presence brought cheerfulness and encouragement. His ability and integrity engendered confidence in the hearts of those with whom he was associated. He rejoiced with his friends in their success and sympathized with them in their sorrow. Thousands will remember him and revere his memory through all the days of their lives.

Although there is an empty chair at the council table of his political party in the grand old State of Missouri, his code of ethics will ever be accepted as a standard of "fair play" and "a square deal."

The loving companionship and confidence which he shared with his family was beautiful to behold. Seemingly his every wish and care in life were centered upon his charming wife and sweet and accomplished daughters, and they, his loved ones, and we, his friends, may find consolation in the thought that "'Tis not death to live in hearts we leave behind."

Mr. COCHRAN of Missouri. Mr. Speaker, the death of SAMUEL COLLIER MAJOR, a Representative from Missouri, was not only a distinct shock to his colleagues but to his thousands of friends in his home State where he was born and lived throughout the period of his life.

Admitted to the bar in 1890, he entered public life in 1892 and served as prosecuting attorney in his own city. He was a member of the State Senate of Missouri and was first elected to Congress in 1919. His knowledge of both civil and criminal law made him a very valuable member of the Judiciary Committee of the House.

He had an outstanding personality, and made friends with everyone who came in contact with him. Honored by his State and the Nation, his name will always be prominent among distinguished officials who served the people of Missouri.

ERNEST ROBINSON ACKERMAN

Mr. EATON of Colorado. Mr. Speaker, why is it that ERNEST ACKERMAN has been called to his final reward when there was so much to be done that none could do as well as he?

From the first day I sat in this House until we went home at the close of the Seventy-first Congress he was my friend. His many kindnesses and aids in participation in legislation on the floor of the House will remain outstanding long after some one comes to take my place. That man will be fortunate, indeed, if he finds one as able and willing as Mr. ACKERMAN to be a friend in his case of need.

He might disagree with you, but he never maintained resentment. He granted to each man the right to think and act according to the dictates of his own conscience. If an able presentation of facts seemed to produce a conclusion different from that reached by him, never did he resort to threat or the show of anger or force to influence a decision. Loyalty was his watchword. True to himself, he was always true to his friends. Punctual at all times, he could always be trusted to keep an engagement or fulfill a promise. In legislation he was dependable, a good judge of men and of measures. His wide experience from business and legislative activity, travels in our own and in foreign countries, and continual study and observation, kept him in the forefront at all times in his last chosen field of endeavor where all kinds and classes of the able men of this country meet in a forum to direct the destinies of this Nation.

In his responsible position upon the powerful Appropriations Committee he was mindful of his country's welfare first, last, and all the time. His breadth of view and grasp of national and international problems was exceeded by none.

He was able, diligent, and a devoted public servant as well as a genial gentleman. The country has lost a good American, a fine citizen, and an able legislator.

Mr. SEGER. Mr. Speaker, under the leave granted to extend remarks, I include the following statement of Hon. HAMILTON F. KEAN, United States Senator from New Jersey:

During the few months that have intervened since the adjournment of the Seventy-first Congress and the calling of the Seventy-second Congress there have been many untimely deaths in the House of Representatives, Members taken in the prime of their lives and at the peak of their usefulness to their country in the offices to which they were elected.

At a time when he was performing the best service of a life filled with good works, ERNEST ROBINSON ACKERMAN was stricken and soon thereafter was called to enter upon a rest fully earned. His established character and long record of deeds well done assure him a high place in the endearing memory of all who came in contact with him. Many who had never talked with him face to face had been benefited by his counsel ripened by years of experience and broadened by extensive travel, study, and observation. With profound sadness we bow to the will of Providence and resign ourselves to the irreparable losses we have suffered.

Mr. ACKERMAN was born in 1863; he died at his home in Plainfield, N. J., on October 18, 1931, after a very short illness. Like a great many boys of his time, he did not have the advantage of an opportunity to pursue a long period of schooling, so that we find him at a rather tender age at a busy corner in New York City actively engaged in the sale of newspapers. He became interested in the collection of postage stamps and at the age of 15 years began a stamp-collecting business, which five years later he sold, together with the good will and list of customers, and thereupon moved to New Jersey, where he resided until his demise.

Obtaining a position of office boy with the Lawrence Cement Co., Mr. ACKERMAN advanced successively through the posts of shipping clerk, bookkeeper, traveling salesman, general sales agent, and finally president of the company. From boyhood his life had been clean, active, and always marked with the greatest kindness and consideration of others. He became interested in public affairs, and at one time was a member of the City Council of Plainfield, N. J. In 1905 he was elected to the Senate of New Jersey, being president of that body in 1911, during the administration of Woodrow Wilson as governor. During the absence of the then Governor Wilson, by reason of his being president of the Senate, Mr. ACKERMAN became acting governor of the State.

With the entry of our country in the World War, Mr. ACKERMAN, long past the age for bearing arms, devoted practically all of his time and energies to our Nation's civilian offensive and defensive activities. Liberty bond, war-saving stamp, and Red Cross drives had his enthusiastic support. Social enterprises for the benefit of the men in the cantonments and trenches engaged his most untiring efforts, and finally, when it was necessary as a defensive measure to conserve at home all of the foodstuffs as far as possible, he was made Federal food administrator for Union County, N. J.

In 1919 Mr. ACKERMAN was elected to the House of Representatives from the fifth district of New Jersey, which he represented continuously until the time of his death. In the House of Representatives he was well known as a member of the Committee on Appropriations and as chairman of the committee that passed on expenditures in the Departments of State, Justice, Commerce, and Labor. His splendid human qualities, legislative experience, moral courage, quick understanding, and warm sympathy stood him well

in hand in those days when the Congress was legislating on the mass of important problems immediate to the ending of the greatest conflict in history.

Mr. ACKERMAN had a charming personality. He had the love, respect, and confidence of the people of the district he so ably represented. While he may have differed in opinion with some of his associates in the House, yet his opinion was held in high regard as he himself enjoyed the respect of his fellow Members.

Mr. ACKERMAN was a devoted Representative to the requirements of his district. No request from the humblest of his constituency was too small or insignificant for him to give his personal attention to its solution. He pursued his onerous tasks, which multiplied as his usefulness in the House increased, with unflagging vigor and gave the best that was in him to the tasks of his office. He was an ideal Representative, one who never tired of undertaking the problems of his constituency and pursuing each one to its conclusion.

I have known ERNEST R. ACKERMAN for many years. His character was above reproach. He graced his honorable position in the Halls of Congress with dignity and real ability. I had many contacts with him socially, politically, and in business, and always found him to be a man of unusual attainments, a man whose word could be depended on, and whom it was always a joy and pleasure to meet and an honor to call friend.

Mr. LEHLBACH. Mr. Speaker, in the passing of ERNEST R. ACKERMAN, of New Jersey, the House of Representatives, the State of New Jersey, and the Nation lost one of the ablest and most dependable public servants.

It was my great privilege to be closely acquainted with Congressman ACKERMAN since he was a member of the Senate of the State of New Jersey over a quarter of a century ago. In that body he rendered outstanding service to the State, notably in the inauguration of a system of classified civil service. In the House of Representatives his outstanding merit was recognized, and he early won a place for himself on the important and powerful Committee on Appropriations. I have frequently heard the former great chairman of this committee, Hon. Martin B. Madden, of Illinois, speak of his work in terms of unstinted praise.

ERNEST ACKERMAN cared nothing for showmanship and publicity and never indulged in oratorical flights. His work was thorough and accurate, reflecting his experience, intelligence, and impeccable rectitude. His dominant qualities in public and private life were his unshakable character and his passion for the right and the truth.

Blessed are the pure in heart.

Mr. BACHARACH. Mr. Speaker, within a period of 15 years the House of Representatives has been twice called together to honor the memory and public service of a Representative from the fifth congressional district of the State of New Jersey.

To-day we assemble to express our feelings of praise and admiration for a man who wove his way into the hearts of all of us who have had the privilege of serving with him.

ERNEST ACKERMAN, as he always insisted upon my calling him and felt keenly hurt if addressed with any less familiar title, was a gentleman of the old school and of a character rare to find in these modern times.

Quiet, unassuming, gracious at all times, we shall miss his courtly manner in the halls of this House. Coming from a different section of my State, it was not my good fortune to know ERNEST ACKERMAN until he was elected to Congress as the successor of the late Congressman Capstick. It did not take long to become acquainted with him, and in a few years' time we developed a friendship which I shall always remember and cherish.

He first began his public service in the council of his home city in 1891, and it is a coincidence that my own first appearance in public life was in the city council of my home town. He was next elected to serve his county in the State legislature; here he was accorded a greater honor than that bestowed upon me, for my next promotion was to the house of assembly. In later years we were both to find service in the House of Representatives of the National Congress.

In all the years of his public service he gave to his constituency the best that was in him. He was a legislator of keen perception and sound judgment, and, in my opinion, he was seldom wrong in his vote on the many perplexing questions that harassed the country and the Congress during his service in the House.

ERNEST ACKERMAN was a world traveler of note; for many years he made it a practice to spend his vacations in foreign countries, and the knowledge which he gained as a result served him to great advantage in his work in the House.

In his passing on to a greater and happier sphere, there to reap the reward so justly deserved by the exemplary life which he led on Mother Earth, we of this Congress have lost a real friend, while the State of New Jersey and the Nation have lost an able, intelligent, and efficient Representative. Those who mourn his loss more intimately may well find comfort and fortitude in the knowledge that he was a devoted husband, an affectionate brother, and a true friend.

FLETCHER HALE

Mr. WASON. Mr. Speaker, it is difficult for me to suitably express myself on this sad occasion. As I stand here to-day I am conscious of a sense of great personal loss.

FLETCHER HALE was born at Portland, Me., January 22, 1883; attended the public schools; was graduated from the English High School, Boston, Mass., in 1900, and from Dartmouth College, Hanover, N. H., in 1905; studied law, was admitted to the bar in 1908, and commenced practice in Littleton, N. H.; moved to Laconia, N. H., in 1912, and continued the practice of his profession; city solicitor of Laconia in 1915; solicitor for Belknap County, 1915–1920; member of the board of education, 1916–1925, and served as chairman, 1918–1925; delegate to the State constitutional convention in 1918; member of the State tax commission, 1920–1925; trustee of the New Hampshire Orphans' Home at Franklin, N. H., in 1923. In 1925 he was elected as a Republican to the Sixty-ninth Congress and reelected to the Seventieth, Seventy-first, and Seventy-second Congresses. In the Seventieth Congress he was assigned membership on the important Naval Affairs Committee, and his work on this committee won words of praise for him from the former chairman, the late Thomas S. Butler, of Pennsylvania.

FLETCHER HALE was my friend and colleague. My heart reaches out to his bereaved family with sincere sympathy and understanding because my own grief is so poignant. There is not one of us who has come here to-day to mourn for him and pay tribute to his memory who feels otherwise. His honest, intelligent, and faithful service here commanded our respect. His personality and his friendship won our love and affection. We all realize that the House, the State of New Hampshire, and the Nation have lost a loyal citizen—a truly good man has passed away; a wise legislator; a splendid, outstanding citizen; an able and successful lawyer; a good and intensely loyal friend; a devoted husband and father. This epitomizes the life and character of FLETCHER HALE, whose death grieved his colleagues, shocked his friends and acquaintances. It was on the return voyage from Europe, where he attended as a delegate the Interparliamentary Union at Geneva, that he became ill and died October 22, 1931, at a hospital in Brooklyn, N. Y., soon after reaching the United States.

FLETCHER HALE was an ardent Republican; he earnestly believed in the principles of his party; and because he believed in them, he never failed to take an active part in campaigns. While an intense partisan, he was broadminded and tolerant in all of his views and never allowed partisanship to interfere with his personal friendships or permitted it to influence his position on public questions which did not strictly involve matters of party policy. He was honest, both intellectually and morally; he despised sham and duplicity. I want to say of my deceased colleague and friend that he loved his country, he loved his fellow men, and was willing to make sacrifices that his life might not be lived in vain.

Those of us who worship the living God, although we can not always understand His ways, are fortified by our unswerving trust in Him and are comforted even in death. Though we lose those nearest and dearest to our hearts, we are given the courage to say, "Thy will be done." Fortified and sustained by "an unfaltering trust," death is not hideous to one who lived a life like FLETCHER HALE, rather is it beau-

tiful—the step from this world to eternity, from whose realms no traveler ever returns.

Sunset and evening star,
And one clear call for me!
And may there be no moaning of the bar,
When I put out to sea,

But such a tide as moving seems asleep,
Too full for sound and foam,
When that which drew from out the boundless deep
Turns again home.

Twilight and evening bell,
And after that the dark!
And may there be no sadness of farewell
When I embark;

For tho' from out our bourne of Time and Place,
The flood may bear me far,
I hope to see my Pilot face to face
When I have crost the bar.

Mr. LUCE. Mr. Speaker, by the death of FLETCHER HALE the House of Representatives lost one of its most promising Members. He had been steadily growing in the confidence of the House—that confidence which is the first requisite for influence. His fellow Members were learning that his information was accurate, that his judgments were sound, that his sincerity was complete, that his courage was constant. He had shown himself capable of expressing his thoughts felicitously and effectively.

Gifted with a good voice, possessing a ready command of language and exceptional clarity of statement, he won attention whenever he took the floor. It was all the better for his effectiveness that he did not speak often, for thereby his fellow Members learned that he was sagacious enough not to speak unless he had something to say, unless he could tell his fellow Members something they did not already know or could lay before them fresh argument. As chance came he had presided in a way that won warm commendation. He was well on the road to higher honors. It is not given to us to understand why a career so hopeful of great benefit to his country should be brought so abruptly to an end. Grieving for the loss of what might yet have been, we must perforce content ourselves with gratitude for what had been.

In the reasons for gratitude those of us who were blessed by close acquaintance will include his endowment with those qualities that most conduce to friendship—the qualities of kindliness, cheerfulness, generosity, sympathy, modesty, candor. These made companionship with him a delight. In Congress, as indeed in any other of the relationships of life, men do not help their associates by lofty intellectual effort alone. The day's work is in no small part matter of routine. Fortunately there are interludes in the work itself, and when the day is over, there must be hours of relaxation. When in such hours chance brought me in contact with FLETCHER HALE, his charm always made the contact happier. It was good to be with him. By reason of the traits that made for friendship we are grateful that we knew him. To us their memory will be precious.

Mr. BRITTEN. Mr. Speaker, in the passing of FLETCHER HALE the State of New Hampshire, as well as the entire Union, mourn and deplore the loss of a capable Representative in the Congress of the United States.

His attention to duty, his fidelity to his trust, his capacity, and his official and personal integrity were most profound. It made a deep impression not only upon the members of the Committee on Naval Affairs, upon which he served with outstanding distinction, but upon the whole membership of the House of Representatives.

FLETCHER HALE's life was one of unceasing activity. With him each attainment was but a step upon the stairway that led to higher places of advancement.

His rise at the bar was rapid, continuous in its progress, and conspicuous in its achievements. He was a lovable man and was greatly beloved on both sides of the House.

He was first of all a loyal friend and was possessed of a charming personality that made itself evident where he chanced to be. His companionship was kind, considerate, and most attractive.

FLETCHER HALE had original ideas concerning the national defense and was a valuable member of the important Committee on Naval Affairs, where naval policies upon which the very life of the Nation depended were made effective. His absence from this committee is a real loss to the Nation.

Mr. EVANS of California. Mr. Speaker, I shall not attempt to express, even measurably, my sense of loss as an individual sustained in the sudden death of my friend and associate FLETCHER HALE, of the State of New Hampshire. We were close personal friends, and I entertained for him a real affection. I shall never fail to remember his exceeding kindness, his fine inspiration, his wonderful fellowship, and his earnest and sincere purpose to be helpful to others.

"Fletcher," as we intimately and affectionately knew him, was ever at the command of his friends and colleagues when opportunity offered to lend a helping hand or to do a kindly deed. He was an able and courageous legislator, an eminent lawyer, and an outstanding American of the highest type.

It is, indeed, most fitting that those who knew his worth through daily and intimate association should gather in this Chamber, where the most important and effective part of his work was done, for the purpose of expressing sincere and affectionate appreciation of a life dedicated in high degree to the public service. The tributes paid to him are well deserved, because they were earned by years of devotion to the interests of our country, because his record as a Representative in Congress was characterized at all times by zeal for the public good. To the people who trusted and honored him he gladly gave all that was highest and best in him.

My work with him as a member of the Committee on Naval Affairs imbued me with his high principle, his ever-present sense of honesty, and his indomitable will to do the right as his conviction led him to see the way.

I humbly commend to his stricken wife and children and to his myriad of loyal friends the memory of this good man, and I desire to record for the sake of posterity and for the benefit of the loved ones he left behind my deep appreciation of his personal worth and the value of his service to his State and to the Republic.

Mr. COYLE. Mr. Speaker, there were 69 of us new in the Sixty-ninth Congress, and with all of us there was a regard and liking for FLETCHER HALE, rugged son of New Hampshire. So close I felt to him that the honor of expressing that regard, though a labor of love, is yet no easy task.

We found in him the straightforward virtues that we come to expect in the sons of the Granite State. With him, too, there was a smile that bespoke a manly friendliness of character and consideration for his fellow man. Among the younger men in Congress there was none for whom a brighter prospect shone. He spoke not often, but when he spoke it was with the authority that comes with definite knowledge and clear thought. With him a broad tolerance for the other point of view served but to accentuate and not to compromise his own clear cut course and logical goal.

When we come to appraise and measure the manly virtues of the man we knew, again shines out the modest courage, the unselfish adherence to duty, the thoughtful, kindly hand of FLETCHER HALE.

When he was laid to rest mid those New Hampshire hills on that windy autumn day, the people he served so well came to pay their last tribute to their fallen leader. Their number seemed as the autumn leaves that fell.

They gathered from Mount Monadnock on the south and Mount Washington on the north, from shop and mill and sugar grove they came, from modest home and executive mansion, the section hand and the president of the road, and met in Laconia's lovely churchyard. In hushed and quiet multitudes their very presence said, "In honoring this man we do honor ourselves." As did his friends in Congress, so did they recognize the untimely end of a career honorable in his country's service.

For his countless friends in New Hampshire and in Congress I quote a verse of Kipling's that might well be our guiding star, as certainly as it typifies FLETCHER HALE:

Stand to your work and be strong, halting not in your ways,
Baulking the end half won for an instant dole of praise.
Stand to your work and be wise—certain of sword and pen,
Who are neither children nor gods, but men in a world of men.

Mr. PARKER of New York. Mr. Speaker, FLETCHER HALE, of the first New Hampshire district, was one of those New England legislators to whom public office meant an opportunity to serve his country.

Born in Maine, educated in Massachusetts and New Hampshire, Representative HALE was endowed with the finest qualities of the New England tradition. He was straightforward. He never hedged or trimmed. There was never doubt as to where he stood, never reason to wonder if he had meant what he said.

All these qualities of stanchness and forthrightness were graced with a sense of humor and an amiability of personality which endeared him to his associates in Congress and in private life. It was easy and pleasant to know him. Honor and conscience were decorated and mellowed with tolerance and wit.

An able lawyer, he served his community and his Nation in ways for which he had prepared himself in his education and background. He went to public schools, to the English High School in Boston, to Dartmouth College. He was solicitor for Belknap County, N. H., for five years, and during nearly all of that time and for five years thereafter his interest in education led him naturally to membership on the board of education and to its chairmanship for seven years. He also extended his interest in education to the less-fortunate children by serving from 1923 until his death as a trustee of the New Hampshire Orphans' Home.

In addition to his legal and educational services, FLETCHER HALE served his State in a fiscal capacity as member of the State tax commission for five years, and helped write the State's present constitution as a delegate to the State constitutional convention in 1918.

In Congress Representative HALE was particularly interested in the development of the Navy, and was a member of the Naval Affairs Committee. His interest in international comity took him to the Interparliamentary Union in 1931, and it was on his way home from that meeting that he became ill and died before he was 49 years old.

His early death is a loss to his State and his country, and a personal loss to his friends. We had all expected many more years of usefulness from him and many more years of pleasant association with him on Capitol Hill.

Mr. DARROW. Mr. Speaker, the sudden death of our late colleague Hon. FLETCHER HALE, of New Hampshire, was a severe shock to all of us, and I felt a deep sense of personal loss, for he was a dear friend and associate.

My intimate acquaintance and close association with FLETCHER HALE was brought about by our service together on the Committee on Naval Affairs and the further fact that our offices were practically adjoining. Therefore, I had the opportunity to know him well, to realize the worth and beauty of his character, as well as to appreciate his many sterling qualities and to respect his judgment and ability. He performed his work as a Member of Congress with all the diligence and conscientiousness that he would have devoted to his own personal affairs.

Though his life of 48 years was far too short, yet it was long enough to demonstrate possibilities of great promise for the future. I know as our acquaintance prolonged my admiration for him only increased. I have every reason to believe that the splendid reputation borne by him in Washington was fully shared by his constituency, who had repeatedly expressed their confidence in him at the polls.

FLETCHER HALE was ever ready to serve a friend. He rendered a distinct service to me when he accompanied me to my district and delivered an address at the Lincoln banquet of the Germantown Republican Club, which was one of the most inspiring, instructive, and entertaining speeches ever delivered before this club. He made many friends in Germantown, and they were greatly grieved to learn of his recent death.

It is a privilege to have served and labored with this young statesman and to have enjoyed his friendship.

Mr. HANCOCK of New York. Mr. Speaker, it is with a heavy heart that I undertake an expression of my appreciation of FLETCHER HALE, for it brings the bitter reminder that we shall see him no more in this world. Although I was privileged to know him only during the last four years of his life, he had my enduring regard and when he died it was as if I had lost a lifelong friend.

Like many others, I sought his company and friendship after first acquaintance, attracted by that rare quality we call charm and encouraged by his amiable disposition and unaffected manner. Cheerful, humorous, keenly intelligent, he was a delightful companion. He was honored and respected by all who knew him for his honesty, courage, and exceptional ability; and he had the deep affection of those to whom he gave his confidence and friendship. Rarely in my lifetime have I known a man whose companionship I enjoyed so much, whose character and talent I appraised so highly, or whose friendship I valued so greatly.

He had seriousness of purpose and maturity of judgment, but he never lost the optimism and buoyancy of youth in his outlook on life. He had dignity and self-respect, but he was always modest and considerate in his relations with his fellows and he was the sort people in trouble turned to, because they trusted him instinctively.

He had none of the acquisitive instinct which dominates the lives and aspirations of most of the people on earth. His life was dedicated to public service and to kindly and generous acts toward those who needed help. He acquired little of the world's goods, because the amassing of wealth was of slight consequence in his philosophy of life. The splendid woman who is his widow and his two fine boys have the admiration and deepest compassion of a multitude of friends and well-wishers as they face the world with brave and dauntless spirit.

I had the good fortune to sit with him on the Naval Affairs Committee of the House for four years. He was a skillful and painstaking legislator. Unobtrusive, he never sought the center of the stage or entered into headline-provoking controversies, but out of clear-headed thinking and conscientious study he made many valuable contributions to the consideration of the questions that came before that committee, and by his gentle persistence and convincing speech he exerted a marked influence on the legislation that came from the Naval Affairs Committee. Respect was paid to his opinion and deference to his judgment by his colleagues.

He believed in a strong, efficient, modern Navy because he was passionately patriotic. There was nothing of the sword-rattler or the jingo about him, but neither was he a weak sentimentalist. His supreme desire was to secure the peace and security of his country and he had no taint of internationalism.

He did not often speak on the floor of the House or extend his remarks in the RECORD, and never for self-glorification or selfish political purposes. He took the floor when his responsibility for legislation required it or when moved by deep conviction and a sense of duty. When he spoke he was listened to, because he spoke with earnestness, with knowledge of his subject, and with the art of a natural orator.

He was an effective speaker in the House or on the platform. Not only did he have the oratorical requirements of voice, gesture, and presence, but his words carried the conviction that springs from the logical thinking of an orderly mind and the inspiration that is born of absolute sincerity and high purpose.

I recall with the pleasure a man has in the success of a good friend the occasion when FLETCHER HALE last presided over the House as Chairman of the Committee of the Whole. A controversial bill was under consideration, the House was inclined to be disorderly, many puzzling points of order were made. He presided with exceptional dignity and fairness; his decisions were prompt, concise, and clearly expressed;

and when he stepped down to report to the Speaker, he received the most enthusiastic applause I have seen accorded any presiding officer since I have been a Member of the House, and the best deserved.

FLETCHER HALE had the mental capacity and moral strength to fill the highest places of public trust. His natural gifts inspired public confidence and attracted a steadily widening circle of loyal friends. He seemed destined to carry heavy responsibilities in these troublous times when people are searching for strong men to lead them. His taking off is doubly grievous because he died in the full prime of manhood. When a fatal disease claimed him with tragic suddenness a valuable and useful life was ended and his country lost a man of true statesmanlike qualities and extraordinary promise of greater service in the years to come. And I have lost a cherished and beloved friend whose death I shall never cease to mourn.

Mr. WIGGLESWORTH. Mr. Speaker, it is always difficult for those left behind when a true friend and colleague is called upon to lay down his life. It is particularly difficult when that life is one of full vigor and of brilliant promise. Under such conditions the loss is not merely personal; it is national.

The life of Hon. FLETCHER HALE, of New Hampshire, was such a life. Devoted largely to public service, it was characterized by devotion to duty, by ever-increasing usefulness, by qualifications which seemed to carry with them the assurance of still greater responsibility, of still greater contribution to district, to State, and to Nation.

Born in 1883, a graduate of Dartmouth College in 1905, an attorney by profession, his fine abilities enabled him to serve his city, his county, and his State as a member of the city board of education for about 9 years, 7 years as its chairman, as city solicitor for about a year, as county solicitor for about 5 years, and as tax commissioner of New Hampshire for a further period of about 5 years.

Elected in 1924 to the Sixty-ninth Congress, relected in 1926, 1928, and 1930 to the succeeding Congresses, his unusual qualifications were quickly recognized in the service of the Nation. Thorough in research, sound in conclusion, he played an important part in the work of the House Committee on Naval Affairs. A trained speaker, a good parliamentarian, he won for himself a position of confidence and increasing influence in the House as a whole. Twice during the closing months of his career he was called upon by Speaker Longworth to preside over the House in the consideration of bills of contentious and difficult character. Those who were present at the time will recall the decision and dispatch with which the bills were handled and the acclaim accorded him by the House as a whole at the conclusion of the consideration in each instance.

It was my privilege to see much of our colleague during the four sessions of Congress immediately preceding his death. Coming to Congress in December of 1928, I found myself turning to him for information and for counsel. I came to regard him not only as a close personal friend but as one of the soundest and most promising of the younger Members of the House.

His character, his ability, his judgment, his courage stamped him as one destined to play a still greater rôle in the service of the American people. His untimely death at the age of 48 was an incalculable loss—a loss to a host of devoted friends and admirers won during a life of public service, a loss to the country as a whole, deprived of the promise of further contribution of greater distinction. America, Mr. Speaker, can ill afford the loss of one so conscientious, so able, so fearless, in these difficult times through which we are passing.

Mr. TREADWAY. Mr. Speaker, others will speak of the political career of FLETCHER HALE. They will refer to his experience as an important official of the State of New Hampshire and his efficient service as a Congressman from that State.

If I were to comment upon FLETCHER HALE's official life, I could truthfully say that in my judgment no man with whom I have come in contact in Congress in recent years had a more brilliant future in prospect than he. He was able, popular, a careful student of legislation, endowed with a keen mind and conservative judgment; he was young, with an expectation of years of service, and by all the measures of human comparisons the future had in store for him inestimable rewards.

However, in the brief references I desire to make to FLETCHER HALE I shall not touch upon this part of his life and character. I want to take for my subject a few words which he once said to me. We were talking about a prominent hotel in a leading summer resort where we had both been guests. In his quiet way he said to me, "Allen, I used to be a bell hop in that hotel." The remark impressed me, but little did I think I would have occasion to refer to it in this manner.

I class FLETCHER HALE as one of the most typical examples of a successful citizen with whom it has been my good fortune to be thrown into contact. He was a poor country lad, dependent upon his own efforts to obtain an education. He worked his way through college, earning a few dollars during the vacation period at a summer resort. He secured his own meals in college by waiting on his classmates. He studied law under adverse conditions and under financial limitations.

Possibly as thorough a test as any of a young man's ability to complete his education is to start life in a moderate-sized New England town. Making good under such conditions, where neighbors are familiar with life's details, is a true test. This FLETCHER HALE undertook and won. Following his marriage and undoubtedly aided by his wife, who herself had made her own way as a teacher, young HALE progressed step by step until he became an outstanding figure not only in his home community of Laconia but in the State of New Hampshire.

Let me, however, revert to my original thought of FLETCHER HALE as a friend and companion rather than as a lawyer and official. When the sad news was flashed over the wire last October of his sudden death while returning from abroad, the first thought that came to me was of the personal loss of a friend. My associations with him were more outside the Halls of Congress than within. The feeling of sadness was at the departure of a real comrade and chum, one with whom I had associated before he became a Congressman in the companionship that comes to men through like interests in athletics and social activities where there is no gloss or frills and where the real fellow is with you. FLETCHER HALE was the personification of a friend. This is not intended to be the eulogy of a Congressman but of a real American. No title can compare in value with that of a successful American citizen. I will regard FLETCHER HALE always as typical of that designation, a self-made, thoroughgoing, true American citizen.

Ah, friendship, stronger in thy might
Than time and space, as faith than sight!
Rich festival with thy red wine
My friend and I will keep, in courts divine.
—Helen Hunt Jackson.

Mr. BOLTON. Mr. Speaker, in availing myself of the privilege of joining my colleagues in paying tribute to those of this body who have "passed beyond" I do so with mixed feelings of appreciation and regret; regret in the realization that those familiar faces are no longer with us; appreciation in the knowledge of their lives and what they have contributed to our Nation's welfare.

It is my purpose, however, to speak briefly of one whose attributes, ability, and accomplishments particularly endeared him to his associates and from whose all-too-brief association came, for me, ties of friendship and esteem which the realization of separation can not efface.

Others have spoken of FLETCHER HALE's ability and splendid record of public service, of the use to which he put the faculties with which he was endowed, and have described

his upward march from boyhood through one of our Nation's leading universities to his chosen profession of the practice of law. Full credit has been given in his record of various offices of public trust and esteem leading to his position of high regard in the Congress of the United States as representative of his district.

It is a record of accomplishment and success based on a determination and a sincerity of purpose which come to those who not only have the ability to see clearly but are alive to their responsibilities to their fellow men. FLETCHER HALE has left a record of achievement and public service which is not only a credit to his State but another example of devotion to his country, for which our Nation is noted.

But the success which marked FLETCHER HALE'S all-too-short career was not due entirely to his devotion to his public duties and his energy and purpose in serving his fellow man. He had those qualities and deeper sensibilities which marked him as one in tune with the universe, as one who sensed the joy of living, and through those attributes the understanding of the problems of his fellow man, which made him so sympathetic in his relations with friend and acquaintance alike. As one who had experienced the stern demands and knocks of daily life and the hard path of success, he could understand and assist those in need of encouragement.

As one who had experienced and enjoyed the real joy of living, he could rejoice understandingly with those who were more fortunate. A friend to all, strong in work or play, quick to understand and eager to help, sympathetic, just, or stern as occasion demanded, he typified all that is good in life. His happy smile, his friendly word were given freely, unstintingly. His good advice, his keen judgment made his words welcomed. But above all his quick understanding, his sympathetic nature, and his cheery attitude, regardless of conditions, made his a personality which brought happiness and rest to whom he contacted.

His life, in truth, was not only an example of devotion to his country but also a record of love for his fellow man. To those of us who were privileged to work with him the peculiar cheery courage that was his—that radiated from him under all circumstances—is something we can ill spare; yet his example should go before us, lighting our way, challenging us to increasing selflessness and a clearer and more consecrated patriotism.

Mr. FRENCH. Mr. Speaker, somehow there is special pathos in the cutting down of life right in the midst of its prime, and particularly when the life is dedicated to serious, purposeful responsibilities that confront the people of a nation. Such was the fate that overtook our late colleague, FLETCHER HALE, a Member of the House of Representatives since the Sixty-ninth Congress, a member of the Naval Affairs Committee, returning from a mission to the Interparliamentary Union, where he had gone as a representative of the American group of that organization—in the midst of great work that he was modestly carrying forward with distinction and ability our colleague was stricken.

During the nearly seven years of membership in the House of Representatives FLETCHER HALE had impressed himself upon his colleagues as a man deserving of respect, deserving of confidence, and one whose counsel and judgment must thereby be sought.

No Member of Congress can serve long in the position to which a constituency has chosen him before an appraisal of his worth and ability will have been made by his colleagues. This appraisal is made upon the basis of the everyday life and action of the Member himself. It is made through contact, through observance of the Member's deportment among his fellows, through the degree with which the Member measures his words, through candor or lack of candor, through habits of speech and action that reflect carelessness or accuracy, or that indicate studiousness and attention to the problems in hand.

During the years of my acquaintanceship with FLETCHER HALE for the most part my contact was with him as a member of the Naval Affairs Committee while I was chairman of the committee handling the naval supply bill. We understood each other; we did the closest of teamwork; we did not always agree, but we had faith each in the other, and at all times I recognized and cherished in my colleague a fine and generous soul.

My colleague did not assume a dual attitude when he labored insistently for the development of an American Navy as a member of the Naval Affairs Committee and when he labored for international understanding as a member of the Interparliamentary Union, through which the navies of the world might be reduced; rather, the two seemingly conflicting positions were in harmony.

Our colleague believed that unbridled rivalry among nations in military craft is provocative of misunderstanding and war. Therefore he sought to remove competition through understandings that could be attained at the conference table in the exchange of ideas and aspirations of world peoples. On the other hand, in the absence of that understanding which he regarded as teamwork, he stood for an American Navy equal to maintaining the needs and dignity of our great country. Imbued with this philosophy, Mr. HALE was a powerful factor for good.

The call of death came to our colleague just as he was completing the trip from the Interparliamentary Union, whose sessions had been held at Bucharest. At that conference he had striven for the development of a program that would look to the establishment of a formula under which a greater measure of teamwork would be possible among world powers and thereby a greater measure of peace and accord be attained among nations.

Others have spoken of the intimate details of the life of Mr. HALE. I have mentioned but briefly certain characteristics that appeal to me.

If I could in another word sum up qualities of our late colleague whose memory we now honor, I should include in those qualities kindliness in all his dealings, sincerity in all his purposes, loyalty to his country, and I should include courage and resolution of soul, all of which blended into that fine attitude of approach with which he undertook every responsibility intrusted to his care as a member of the House of Representatives.

HARRY M'LEARY WURZBACH

Mr. KLEBERG. Mr. Speaker, under the leave to extend my remarks in the RECORD, I include the following resolution of the San Antonio Builders' Exchange memorializing the services of my predecessor, Hon. HARRY M. WURZBACH:

SAN ANTONIO BUILDERS' EXCHANGE,
San Antonio, Tex.

Resolution

Whereas the Hon. HARRY M. WURZBACH has nobly served the people of San Antonio and south Texas as citizen, statesman, and friend; and

Whereas the Hon. HARRY M. WURZBACH, ever ready to answer the call of service, has acquiesced to the final great command, leaving this body politic bereft of a stanch admirer, counselor, and champion; and

Whereas the passing of this great statesman is an irreparable loss which only time, the great alleviator, may mend: Now, therefore, be it

Resolved by the board of directors and membership of the San Antonio Builders' Exchange, That we express our heartfelt sympathy to the bereaved family of this beloved champion in the loss which we share with them; and be it further

Resolved, That a copy of this resolution be spread upon the regular minutes of the records of the San Antonio Builders' Exchange in humble tribute to the achievements of the Hon. HARRY M. WURZBACH; and be it further

Resolved, That a copy of this resolution be extended in sympathy to the family of the Hon. HARRY M. WURZBACH and to the body of the House of Representatives of the United States Governernment, in which he so faithfully served the people of this great section.

WM. A. TURNER, *President.*
R. WM. ARCHER, *Secretary.*

Adopted at regular meeting board of directors San Antonio Builders' Exchange in meeting assembled Thursday, November 19, A. D. 1931.

I would like at this time to pay my lasting personal respects to the memory of my departed friend, HARRY M. WURZBACH. He was an able, concientious citizen, beloved by

his friends, who were legion. He loved them well and served them in accord with the best that was in him while he acted as their representative.

PERCY EDWARDS QUIN

Mr. ELLZEY. Mr. Speaker, as the successor of the late PERCY E. QUIN, it is my privilege to bear testimony of the splendid record he made.

Throughout the entire seventh Mississippi congressional district PERCY QUIN was universally loved. For many years a public official, he was faithful at his post of duty. He prided himself in promptly responding to every call at the hands of his people. He was punctual and diligent in the discharge of all his duties.

PERCY QUIN was ever a loyal and stanch Democrat, and throughout his long years of public service he was a splendid leader, always advocating the Jeffersonian principles of Democracy. As I met and mingled with his many friends in the district he so ably represented, in every section I found many loyal and close personal friends of PERCY QUIN. His people loved him and forever enshrined in their hearts will be lasting and loving memories of the faithful service he rendered to his constituents.

As his successor in the Halls of Congress, I was the recipient of many courtesies because I had succeeded this beloved gentleman. Many Members from every section of the Nation have expressed to me their friendship and love for this splendid Mississippian. In truth, he was loved by Republicans and Democrats alike.

As a Member of Congress, for years Mr. QUIN was a member of the Committee on Military Affairs. He worked untiringly in sponsoring legislation that would result in the operation of the Muscle Shoals plant whereby the farmers of America would secure cheaper fertilizer. One of his colleagues said that PERCY QUIN literally wore out his life in behalf of Muscle Shoals.

Another colleague informed me that he always followed PERCY QUIN in legislation that affected agriculture and labor, because these matters were on his heart, and his judgment was good.

In the hearts of his fellow countrymen long will live the memory of PERCY E. QUIN.

Mr. McKEOWN. Mr. Speaker, when the news of the sudden passing of Hon. PERCY QUIN reached the ears of his colleagues there was a feeling of loss which crowded out all other thoughts.

"Percy," as we all called him, had the greatest insight into the effect of any piece of proposed legislation upon the masses of the people of any man in the House. It made no difference under what cloak it appeared, he was always able to measure its effect upon the "poor people." He was a safe man to follow, as his judgment was always sound.

When any vote was to be had we always knew that Percy would be found on the side of the folks as against special privilege.

Information that he was to address the House was all that we needed to fill the Chamber, and when he spoke he threw his whole energies into the effort.

PERCY QUIN was a leader, and many of his colleagues were saved from disaster by following his fine sense of justice and fair play.

He has gone, but few will ever take his place.

It is a melancholy task to lay a wreath of affection upon the grave of a departed friend. But it is fitting that we who knew him and watched with pride his brilliant career should here commemorate the many admirable qualities of that remarkably strong and attractive personality.

He was a sincere man, and an able Representative from his State, Mississippi, which has given many illustrious sons to the Nation, but none more true to his convictions than PERCY QUIN.

Mr. WHITTINGTON. Mr. Speaker, PERCY EDWARDS QUIN was born October 30, 1872, on a farm in Amite County, Mississippi, and died in the city of Washington on February 4, 1932.

His sudden departure brought personal and public sorrow. Genuine regret was never before quite so universal among the people of the district ably represented by him for 20 years. His death was a distinct loss to the State and Nation.

PERCY QUIN largely worked his way through school and college, and after finishing at Gillsburg Collegiate Institute in Mississippi he was graduated from Mississippi College, Clinton, Miss., in 1893. He taught school for a year and in 1894 began the practice of law in McComb, Pike County. He was an outstanding member of the Mississippi Legislature from 1900 to 1904. On October 1, 1913, he married Miss Aylett Buckner Conner, of Natchez, one of the most charming and accomplished women of Mississippi, who survives him.

He was elected a Member of Congress from the seventh district in 1912 and was continuously thereafter reelected. He was chairman of the Military Affairs Committee, one of the powerful committees of the House, at the time of his death.

PERCY QUIN inherited a good mind. He was a keen thinker and exerted a wide influence among his fellow men. He possessed the grace of common sense to an unusual degree. He knew human nature. He grew up among the people and was familiar with the hopes and aspirations of the common man. He had a unique and delightful personality.

He knew the people of his district, and they knew and trusted him. He occupied a large place in the affections of his constituents.

As a citizen he was a patriot and devoted to his country. He endeavored to discharge the debt that all owe to both State and Nation. He was attracted to public life and was always interested in public questions and political issues. He never dodged or straddled. He was always honest and sincere. He was ever jealous of the good name of the State and was always anxious for the progress and advancement of the people of the country. As a legislator he was loyal, faithful, and industrious. He was a good judge of men, of issues, and of measures. Successful in both law and business, he was successful as a Member of Congress.

PERCY QUIN was a devoted husband. His home was the happiest spot on earth for him. His wife was the joy of his soul.

He was a true and loyal friend. He made the cause of his friends his own, and he never lost a friend except by death. His cheerful and hopeful disposition made him exceedingly companionable. He was always welcome in any group. He would go to any reasonable length to help a friend. He was devoted to his friends, and his friends were devoted to him. He was very human. We, his colleagues, treasure his memory as an affectionate friend and as a faithful public servant.

Our departed colleague gave help to the poor, sympathy to the suffering, kindness to the downcast, and hope to the discouraged. Good and true men are God's best gifts to the world, but they are more than that—they are the agents and instrumentalities for help to mankind.

PERCY QUIN came to Congress on March 4, 1913, in the prime of his manhood. He was familiar with the problems of the people and he devoted himself exclusively to the public service the 19 years that he served in Congress. No district ever had a more industrious or faithful Representative. While familiar with military affairs and while chairman of one of the greatest committees of the House, his fame likewise rests upon his advocacy of measures for the benefit of the great body of people of the country. He never forgot the farmers nor the people of his district and State. He advocated all measures for the benefit of agriculture and rural life.

PERCY QUIN was a good man, but he was not perfect. None of us is. Man does not ripen by virtues alone. If it were so, the earth would be a paradise of angels. Man is like the growth of the earth and the fruit of the seasons; he is sown in dishonor and he is matured under all varieties of heat and cold. Man ripens as a result of various and varied experiences. He is matured by the joy of spring, the warmth of summer, the winds of autumn, and the chills

of winter. The good man, the great man, succeeds in spite of his mistakes and overcomes in spite of his errors.

But PERCY QUIN lived the good life of his time. He died in service. He went out in the full maturity of his powers and at his post of duty, a martyr to overwork. He was ill for awhile, but he was spared the wastes of long disease and the waiting in helpless idleness. "The set, gray life and apathetic end were spared to him." He passed away so quietly that none knew the moment of his departure.

And could we choose the time, and choose aright,
'Tis best to die, our honor at the height,
When we have done our ancestor no shame,
But served our friends and well secured our fame.

We shall see the face of our departed colleague no more, but the light of his life and usefulness of his service will remain with us. The world is better for his having lived and wrought, and his memory, like a rare perfume whose fragrance lingers, will long be cherished. His work is done; peace to his ashes and honor to his memory.

Mr. COLLINS. Mr. Speaker, nearly every Member of this House knew PERCY QUIN and admired and respected him as a rugged orator, an intrepid fighter, and an indefatigable worker for the principles he championed. He was more than that. PERCY QUIN's championship of the interests of the plain man was not that quality of lip service given for his own gain, but the honest expression of his inward convictions—the bubbling forth from that inner spring of his regard for his fellow man.

The two most outstanding traits of his Christian character were his abiding faith in God and a broad sympathy for his brother man. Even before he became a Member of this body he had served in public office with the same keen understanding of the rights and problems of other people and with the same urge to alleviate those wrongs and oppressions which beset them. Never vainglorious, he spoke to measures here only when he felt a keen right and justice in his position. So clearly was this the case that his utterances were freighted with sincerity and human kindliness and carried with them the strength of a crusader's belief.

Soon after the blow fell upon him that forced him to his last sick bed, he expressed himself, not as rebellious nor impatient, but truly and humbly thankful to his Maker for sparing to him his mental faculties so that he might continue to use his influence for those he believed needed help. I never knew a man more big-hearted, more altruistic than PERCY QUIN. His life's pattern was fashioned so: "Love thy neighbor as thyself."

Mr. RANKIN. Mr. Speaker—

A prince once said of a king struck down:
"Taller he seems in death";
And the word holds good, for now as then
It is after death that we measure men.

It is after the passing of a public man that we take an unbiased inventory of his life's work and pass judgment upon the value of his private and public career.

Standing here "upon this bank and shoal of time" from which our distinguished colleague PERCY QUIN has passed, we pause for a moment to measure his mental and moral stature. As we do so, his proportions grow as his sterling qualities, his unblemished character, and excellent qualities of his public service are revealed.

Thomas Jefferson once said that there were only three questions to be asked of an applicant for a public office: Is he honest? Is he qualified? Is he faithful?

Measured by that standard, our distinguished colleague towers against a background of more than 20 years of service in this House. It was once said of Edmund Burke that men who did not have the patience to hear his speeches delivered invariably wore the record out reading them. The peculiar personal traits which Mr. QUIN invariably exhibited on the floor sometimes distracted the minds of Members from the real merits of his argument. But when reduced to cold type his speeches contained gems of eloquence and nuggets of wisdom that reflected a strong, overpowering intellect backed up by a conscientious conviction and an unswerving devotion to the public good.

Conscientious to an extreme degree, with a keen, incisive intellect, with supreme moral and physical courage, and with an inflexible devotion to the public weal, he rendered a service throughout his long and eventful career that will carry his name on down to the generations yet to come.

His passing was a great loss, not only to the people of his district but to the Nation as well. He literally gave his life for his country's cause. The last speech he ever made, and one which hastened his untimely taking off, was against the cancellation of the foreign debt and laying upon the backs of the already overburdened taxpayers of America $11,600,000,000, which they will have to pay if this cancellation is ever made. Every man, woman, and child under the American flag owes him a lasting debt of gratitude for that speech, from the physical effect of which he never recovered.

He is gone, but his memory will linger in these Halls for many a decade, and the effects of his public service will ever redound to the betterment of our common country.

His life was gentle, and the elements
So mix'd in him that Nature might stand up,
And say to all the world, This was a man!

Mr. JOHNSON of Texas. Mr. Speaker, the passing of Hon. PERCY E. QUIN removed from the membership of the House one of its leaders.

For nearly 20 years he represented the seventh congressional district of Mississippi, and, having served with him for almost 10 years, I can bear testimony to his ability, his fidelity, his courage, and his devotion to duty. He loved humanity, and the cause of the poor and oppressed he always championed.

He was a Democrat not only in name but in fact. Intrenched privilege and plutocracy he abhorred and consistently and vigorously opposed. Chairman of the great Committee on Military Affairs, his life was shortened by his fight to preserve Muscle Shoals for the people of the Nation and to prevent its exploitation by selfish and sordid interests.

Earnest and aggressive, he was an able advocate, and when he spoke the House never failed to listen. He had the zeal of a crusader, and never minced his words in driving home his conviction of what he conceived to be right. He had an originality of expression and a quaintness of speech and delivery that added flavor and force to what he said. The House lost one of its most popular orators when his eloquent tongue was stilled in death.

He was a true and loyal friend, and those on both sides of the aisle honored and respected him for his honesty, integrity, and splendid attributes of character.

His devotion to his wife was beautiful, and his success, both as a man and a legislator, was doubtless due in a large measure to the fine character and helpful cooperation of this noble woman.

The State of Mississippi lost a gifted son, the Nation an able legislator, and those of us who knew and loved him a real friend when PERCY QUIN passed away.

Mr. DOXEY. Mr. Speaker, PERCY QUIN was loved as few men are. When the sudden news flashed to the Capitol of his untimely passing we were all grieved beyond expression.

Only the day before I had been at his bedside in the hospital and I could hardly realize that my friend had joined the "innumerable caravan." As I hurried to the hospital and there found his friends and loved ones, my thoughts were that, although his voice was silent and he would be with us no more, his memory would always be cherished, his life be an inspiration, and his character worthy of emulation.

When I first came to Congress I sought his advice and heeded his counsel, as out of his rich experience and sound judgment he was always ready, able, and willing to aid the young as well as the old.

To-day, as we pay tribute to our departed colleagues, we can truly say, "PERCY QUIN was one of God's noblemen."

He was the proud possessor of that human touch that enriched the lives of all who were fortunate enough to come in contact with him. His deep insight into the human heart, his love for his fellow man, his faith in God and in humanity, his devotion to the cause of the people, combined with many other virtues, made him a true friend and an outstanding statesman.

He could put more wisdom in fewer words than almost any man I ever knew. Many times I have heard him give expression to such characteristic and unique philosophy as—

I like the man who stands hitched whether he is tied or not.

PERCY QUIN was truly that kind of man. He was noble, true, patriotic, courageous, and could always be depended upon to put "service above self."

Mississippi has lost another illustrious son, the Nation an able statesman, and the world a real man!

SAMUEL RUTHERFORD

Mr. MOBLEY. Mr. Speaker—

Let me live in a house by the side of the road,
Where the race of men go by—
The men who are good and the men who are bad,
As good and as bad as I.
I would not sit in the scorner's seat
Or hurl the cynic's ban;
Let me live in a house by the side of the road
And be a friend to man.

In the fall of 1924 in the little town of Forsyth, Ga., surrounded by a host of friends of his home town and county and many of the surrounding counties, SAMUEL RUTHERFORD stood upon the platform to which he had been conducted by his friends and quoted the lines above. He had just received the Democratic nomination to Congress from the sixth congressional district of Georgia, which meant his election to this honorable body.

The friends among whom he had lived and done his life's work up to that time well knew that those lines correctly expressed the man and his feelings, as his whole life had clearly exemplified his interest in the welfare of his fellowman. First, as solicitor of the city court of Forsyth; later as a farmer, banker, and representative of the county in the State house of representatives and senate he had proven that he possessed the qualities of a good citizen. They knew his worth as a man, as a business executive, and as an officeholder. Having great confidence in him, they had exerted every effort possible to honor him with a seat in Congress which they so well knew he deserved, and which was by an overwhelming vote given him.

Mr. RUTHERFORD was born on a farm in Crawford County, Ga., May 15, 1870. During his early years he attended the public schools in the little town of Culloden, which at that time had school facilities much better than the average small community. Many of the leading men of Georgia came from Culloden and received their early training there. After attending Washington and Lee University and finishing in law at the University of Georgia Mr. RUTHERFORD moved to Forsyth, Ga., which was the county seat of the adjoining county of Monroe, where he spent the remainder of his life. I have often heard him tell of the trials of his early career, of amusing incidents that had occurred in the justice court of the county, to which his practice was almost entirely limited, due to the number of very able and active lawyers living in Forsyth at that time. However, industrious and intelligent as he was, it was only natural that he should gradually forge to the front.

He early exhibited an interest in public life and was first elected to the State legislature. Soon after that he married Miss Abigail Ponder. It has been laughingly told on him that he was first elected to office as a matter of necessity, since his election had been made the precedent to his marriage to one to whom he was deeply devoted and loved dearly. If his marriage was the result of success in his first political adventure, then surely this was the most fortunate and fruitful success of his life, for he secured a most loyal and devoted wife, one who always thought of him first and whose heart was with him in every undertaking. Mrs. Rutherford was alone with him when he was so suddenly snatched away on February 4, 1932.

As vice president of the First National Bank of Forsyth, which position he held for many years, Mr. RUTHERFORD truly exhibited the inner man. Although the farmers of his community were fairly prosperous at that time, they, as a rule, operated their farms on credit. On account of his willingness at all times to cooperate with them and because of the further fact that they found him thoroughly honest and keenly interested in their welfare, he was able to gain their friendship and admiration, which he retained through all the years. Through his association with them and his own personal experience in farming, he became fully acquainted with their many problems; and when he came to Congress his interest in agriculture and in the welfare of the farming class in this country was fully demonstrated.

One of the most beautiful traits of his character was his friendship for people. Having been in public life and politics so long, it is only natural that he might have had some enemies, but I believe he had as few as any man I have ever known. Surely it can be said of him that while a man might have been an enemy to him, he was never an enemy to anyone. His very nature revolted against carrying prejudices against his associates. I have often heard him commend people whom he had found were inclined always to have something nice to say about others rather than criticize. He granted every man the right to his own opinion; and although he might differ, he assumed that those who did not agreed with him possessed the same sincerity of purpose as he himself. He was very sympathetic, easily approached, and quickly established close and lasting friendship with those who came in contact with him. He was so kindly disposed, so lacking in guile or deception, so honest and high-minded that his friendships through the years grew in strength and number until at the time of his death he was greatly beloved by the people of his district and State.

At the time of his death he had been in Congress about seven years; and until December, 1931, the Republican Party had been in power, but at that time the Democrats organized the House and Mr. RUTHERFORD became chairman of the Committee on Election of President, Vice President, and Representatives in Congress. For many years Senator NORRIS had endeavored to amend the Constitution of the United States so as to change the time of meeting of Congress and to abolish the short session. The Republicans in the House had prevented the enactment of this amendment, but within a very short time after Mr. RUTHERFORD became chairman of the committee of the House, the Norris bill, as it passed the Senate, was taken up by his committee. While the committee reported the Norris resolution, it was only after having substituted the text of a bill that Mr. RUTHERFORD had introduced.

Only the day before his death he had conferred with Speaker GARNER with the view of having his bill considered in the House, but death intervened, and he did not live to see the enactment of this law.

Since coming to the Congress in 1924, Mr. RUTHERFORD had been a member of the Committee on Immigration and Naturalization. He had shown a profound knowledge of the immigration situation in this country, had always supported legislation looking toward restriction of immigration, and had only a short time before his death introduced a bill providing for further restriction, which bill was reported by the committee after his death.

His quiet and unassuming manner, his sincerity of purpose, and his freedom from demagoguery had endeared him in the hearts of his colleagues. He realized that being a Democrat under a Republican administration, very little could be accomplished by him on the floor of the House, and it is a matter of record that he never took the floor until he really had something worth while to say and when he felt that something could be accomplished. Finding this situation and desiring to be of genuine service to his district, he lost no time in directing his efforts to those who needed his services. The great work he did for the veterans of all

the wars, and especially those of the Spanish-American War and World War, attracted not only the attention of his constituents but that of his colleagues in the House. Some might wonder why he gave so much of his time and devoted so much work to assisting the veterans, but when it is understood what a field of service this offered we easily realize why he interested himself in them. Through ignorance of the law and the method of procedure in the Veterans' Administration, a great majority of the veterans were not receiving that which was due them. Not only did he appear before the rating boards of the Veterans' Administration and make personal arguments in behalf of the unfortunate and disabled veterans of his district, but he gave to the Congress information which led to the correction of some of the evils of the law.

From April, 1929, until his death, I was intimately associated with Mr. RUTHERFORD as his secretary. During the sessions of Congress we had lived together in Washington, and when at home during the summer months we were associated together in the office, in canvassing the district, and I had the pleasure of accompanying him on practically every speaking engagement. I thus knew him at home, in his office, and in both public and private life. His home life was characterized by the same beautiful simplicity, sincerity, and devotion as we find in his public and official life. Although untiring in his efforts to serve others and free with his time for those who called on him, he was fond of his home and family and was most devoted to his lovely wife and two daughters. He was an upright and God-fearing citizen, possessed of a beautiful spirit and a sweet and unselfish disposition.

After his death, at the instance of his friends and mine, I became a candidate to succeed him as Representative of the sixth district of Georgia. My overwhelming election to Congress, as his successor, I must say, was due principally to the high esteem in which he was held by the people of our district. A truer demonstration of the love his people had for him could be found in the great throng that lined the streets of Forsyth to view with said hearts the passing of his remains to their final resting place. Surely such evidence of love and admiration as was exhibited on this occasion should prove a lasting consolation to his loved ones.

Truly no Representative ever commanded greater respect from his constituents than did Mr. RUTHERFORD. The sixth district of Georgia, the State of Georgia, and the whole Nation have suffered a great loss. He died at the height of his power and popularity, at his post of duty, while toiling for his fellow man, which I am sure is as he would have had it.

And could we choose the time, and choose aright,
'Tis best to die, our honors at the height,
When we have done our ancestors no shame,
But served our friends and well secured our fame.

Mr. Speaker, under the leave to extend my remarks in the RECORD I include a statement by Hon. WALTER F. GEORGE, as follows:

Three times death has invaded the ranks of the Georgia delegation in the Congress of the United States during the Seventy-second session. First, in point of time, the Hon. Charles G. Edwards, of the first Georgia district, was suddenly stricken. Second, the Hon. SAMUEL RUTHERFORD, of the sixth Georgia district, and the subject of these remarks, crossed quickly the "imperceptible frontier." Third, the Hon. William J. Harris, my beloved colleague in the Senate, after a long illness, borne with singular courage and fortitude, passed into the beyond. At a later day in the Senate exercises will be held in honor of the life, character, and public service of my late colleague.

SAMUEL RUTHERFORD was born in Crawford County, Ga. Like his colleague, Congressman Edwards, he was born and reared on a farm. He was the son of William and Julia Rutherford. He attended the public schools of Crawford County, studied at Washington and Lee University, and graduated in law at the University of Georgia. He engaged in the general practice of the law. His friends and neighbors, recognizing his peculiar qualifications for public service, thrice elected him mayor of his city, subsequently electing him solicitor of his local court, and three times called him to service in the legislature of his State and to one term in the State senate from the twenty-second senatorial district of Georgia. He was also a practical business man and his energies were devoted to banking and to agriculture as well as to the practice of law. In every field of enterprise and endeavor his efforts were marked by success. He was elected to the Sixty-ninth, Seventieth, Seventy-first, and Seventy-second Congresses. In the midst of his service in the trying first session of the Seventy-second Congress, a Congress marked by fatalities in both House and Senate due to the extraordinary demands upon public officers, SAM RUTHERFORD was suddenly stricken down.

Early in life Mr. RUTHERFORD was married to Miss Abigail Ponder, who survives him. He was an ideal husband and father, and his devotion to his mother, who likewise survives him, eloquently proclaims the great tenderness and strength of his character.

In the Congress of the United States SAM RUTHERFORD was a true progressive. He did not indulge in loud speech and he held himself above the level of demagoguery. Nevertheless he believed in liberal and progressive measures. He was a stout and consistent advocate of constructive legislation. He believed in human progress. He was especially devoted to the interests of agriculture, and the veterans of all wars knew no truer friend in the Halls of Congress. The interests of his State and of his Nation were always placed above considerations personal to himself. To the people of his district, predominantly agricultural in character, he gave his first, best, and last devotion. He despised hypocrisy and cant. He was a genuine man. He liked the simple ways and habits of a sincere and honest constituency. He was content to serve. He did not court cheap publicity. He lived in the faith that honest service would be known and appreciated by those whom he loved and served.

During his first term in the Georgia Legislature, I had the pleasure of meeting SAM RUTHERFORD. From that day until the day of his death I knew him well and intimately. His whole life was wholesome, and those of us who were privileged to come within the circle of his personal friendship have the abiding confidence that we are better men from our association with him.

SAM RUTHERFORD's colleagues in the House bear testimony to his fidelity in committee and to his fearless advocacy of the worthy cause on the floor. Yet it is of him as a man that we love to think—as a son, as a husband, and as a father. He had a character free of guile. In his heart and soul sham and pretense were strangers. He was a worthy Representative of a worthy people.

As a distinguished son of Kansas said of the great Georgia Senator, Benjamin H. Hill, I may truly say of SAM RUTHERFORD: "Of all the dead whose obsequies we have paused to solemnize in this Chamber, I recall no one whose untimely fate seems so lamentable and yet so rich in prophecy as that of SAM RUTHERFORD. He had reached the meridian of his years. He stood upon the high plateau of middle life, in that serene atmosphere where temptation no longer assails, where the clamorous passions no more distract, and where the conditions are most favorable for noble and enduring achievement."

Mr. TARVER. Mr. Speaker, by death or retirement Georgia will have lost at the end of the Seventy-second Congress, during the life of that Congress, approximately half of her representation in our national lawmaking body. Their places will have been taken by men who, in the judgment of our people, are able to worthily fill their shoes; but those of us who have been accustomed to rely upon their wise counsel, seasoned by the experience of years of service, and have been bound heart-to-heart with them by the close ties of personal friendship, will sorely miss them.

Among all of our colleagues there was none who held higher place in the affections and respect of his fellows than SAMUEL RUTHERFORD. The same confidence which his constituents had in him soon communicated itself to the minds and hearts of those who came in contact with him in the performance of his official duties. No man ever questioned either his sincerity or his ability.

SAM RUTHERFORD was a specialist in his congressional work. He did not attempt to sway the Congress on every question which arose, and yet he exerted greater influence than many men who did. Active in his committee work, his influence on immigration legislation, which came from a committee of which he was a member, was probably as effective during the several years of his service as that of any Member of Congress; and there was certainly no field where wise and constructive statesmanship was more greatly needed.

Early in his congressional career he became impressed with the numerous injustices that have resulted from careless and inefficient handling of claims of World War veterans and their dependents, and with the fact that many of the most deserving of these, through lack of intelligent assistance, failed to secure rights and benefits to which they were entitled, and which others, oftentimes not so deserving, had no difficulty in obtaining. He resolved to give to these veterans and their dependents the utmost benefit that the most diligent effort on his part could secure for them. In doing so, he voluntarily assumed a tremendous burden, a burden

which many Congressmen shift to the shoulders of their clerks or allow to go unattended to. He personally represented thousands of these veterans, helping them with their evidence, attending hearings, and arguing their cases, and obtaining for them hundreds of thousands of dollars in benefits they would not otherwise have received.

In addition, he was the stanch advocate on the House floor, whenever occasion demanded it, of the rights both of Spanish-American War and World War veterans.. As I have said, he was a specialist. He did not neglect his legislative duties. No Member of Congress during these years that he served has a more honorable record of legislative service than SAM RUTHERFORD, and that record, like the work that he did for his constituents, demonstrated beyond question the outstanding fact in his life—he always liked to take the side of the under dog, and his votes and his efforts were always on the side of the common people.

We shall miss him here—miss his sunny smile, his friendly greeting, as well as his wise counsel and cooperation. But we shall not miss him as much as those many thousands of people, white and black, who stood in massed lines for miles along the roadside on that February day when we carried his body through the little city where he lived to its last resting place, nor other hundreds of thousands of Georgians who could not be there, but who loved him none the less.

Mr. VINSON of Georgia. Mr. Speaker, on the morning of February 4, 1932, the death angel invaded our ranks and took from our midst the Honorable SAMUEL RUTHERFORD. He died in the midst of his labor, like a soldier at the post of duty.

SAM RUTHERFORD was a true Georgian, a descendant of a historical Georgia family; he was a true representative of the people. He loved the people of his State and district—all of them—and he was never better satisfied than when working in their service. And that love was reciprocal, for no member of the Georgia delegation had the love and respect of his constituents more than did SAM RUTHERFORD.

The son of William and Julia Rutherford, of Forsyth, Ga., he attended the common schools of his State and received his academic college training at Washington and Lee University in the State of Virginia, whence he returned to his own State university, where he graduated in law in 1894.

Mr. RUTHERFORD's first public service was as mayor of his native city—Forsyth. He was honored with this office for three consecutive terms. His political rise was a steady march up the ladder of public service and political success. The consistency of his success and advancement was but an index of his qualifications and ability, and an appreciation for the quality and loyalty of his service. He was next made solicitor of the city court, and from there he was promoted to representative in the General Assembly of Georgia, where he served three terms, one as State senator from his senatorial district.

In 1924 the people of the sixth congressional district saw the need of his services and sent him to the Sixty-ninth Congress. He was reelected to the Seventieth, Seventy-first, and Seventy-second Congress and was serving the eighth consecutive year as Representative from his district when his work was cut short.

In seeking testimonials to SAM RUTHERFORD's popularity, the seriousness of his application to duty, no matter how great or small, to his devotion to public service, to his loyalty to his country and his constituents, one needs only to go among the people of the sixth Georgia district. There the veterans of the World and other wars, the farmers, the laborers, the common people in every walk of life, the bankers, business and professional men and women of the towns and cities will all testify with a quick beating of their hearts and tears in their eyes of their love for and devotion to SAM RUTHERFORD—a true representative of his people—his memory will live forever in their hearts.

I know that no other man was closer to his people or realized their suffering and plight during these trying times more than did Mr. RUTHERFORD. It was his anxiety for their welfare, the seriousness with which he devoted himself to the problems of government in an endeavor to aid and relieve them, and the resultant strain and worry of his heavy work and efforts in their behalf that brought about his physical breakdown last summer, and finally his death in February of this year.

Dying at the age of 61 in the prime of life, at the height of his ability, usefulness, and life experience, SAM RUTHERFORD was truly a victim of this tragic era.

He was a happy man, satisfied in his life work of serving his fellow man, seeking and finding joy and peace in the bosom of his family and his people. He was prepared to meet his Maker, and prepared to answer at the judgment bar of eternity. Death being almost instantaneous, coming like a twinkling of the eye, it found him ready, for

He had so lived that when his summons came to join
The innumerable caravan which moves
To that mysterious realm where each shall take
His chamber in the silent halls of death,
He went not, like the quarry slave at night,
Scourged to his dungeon, but, sustained and soothed
By an unfaltering trust, approached his grave
Like one who wraps the drapery of his couch
About him, and lies down to pleasant dreams.

Mr. LANKFORD of Georgia. Mr. Speaker, sad indeed was the news received on the 4th day of February last that Hon. SAMUEL RUTHERFORD, of the sixth congressional district of Georgia, had suddenly died at the Hamilton Hotel in this city.

Appearing in splendid health on the previous day, he mentioned his good physical condition and talked of the legislative program he hoped to help put over in the immediate future. In fact, he was preparing to return to the Capitol for another day's labor when the divine call came for a journey to "that undiscovered country from whose bourne no traveler returns."

As chairman of the Committee on Election of President, Vice President, and Representatives in Congress, he had just reported the House resolution bearing his own name, submitting an amendment to the Federal Constitution providing that after each general election of Members of the House the next session shall be organized by the newly elected Members instead of the old, as is now the case. This had long been a highly controversial question and Mr. RUTHERFORD was most happy that he was called to act so important a part in its proper solution. In a very few days after his death the resolution, still bearing his name, was taken up and passed both Houses and was signed by the President.

It will no doubt be ratified by the required number of States and become a part of the Federal Constitution. It will remain as an everlasting and most splendid monument to Mr. RUTHERFORD and Senator NORRIS, the author of the resolution in the Senate.

Mr. RUTHERFORD's death was sad in the extreme, because he was so suddenly taken away just as he was about to see, as the results of his earnest efforts, the full fruition of the greatest legislative victory that can come to any Member of either body of the Congress, the writing into the Federal Constitution of a great poplar fundamental amendment. It is given to only a very few of our Nation to write with their own hand an important, everlasting part of our people's great charter of liberty.

His death was sad not only because he already had done this great work and died just as he was receiving the acclaim of a gratified people but also because, having served comparatively so short a time, he had planned and was in the midst of an additional great legislative program on which he was working for his people.

The plans, details, and specifications were on the trestle board, the working tools were on every hand and ready, the machinery was being installed, as the master builder was called to a higher and better, everlasting service and mission. And yet, Mr. Speaker, none of the splendid service of SAMUEL RUTHERFORD is lost. God gathers up and saves for all humanity through all eternity the golden grains of such greatness and nobleness.

He was in every way a noble, splendid man. He was honest, capable, fearless, and a true representative of his people.

Mr. Speaker, during the first 12 years of my service here only two of my colleagues passed into the great beyond.

First, I went to Georgia with all that was mortal of the late Senator Thomas E. Watson, of Georgia, and saw him returned to mother earth at Thomson, Ga. Several years later I left in Washington in apparently good health my good friend Hon. Leslie J. Steele, of the fifth Georgia district, only a few days later to be notified of his passing and to attend his funeral at Decatur, Ga., where I saw him for the last time until the great awakening.

Now, during the last 12 months, I have been notified of the death and attended the funeral of three of my beloved colleagues.

First, Hon. Charles Gordon Edwards, of the first congressional district, who was buried in Savannah; next, Hon. SAMUEL RUTHERFORD, who was buried in Forsyth; and, last, Senator William J. Harris, who was buried recently in Cedartown.

When sorrows come, they come not single spies, but in battalions.

Three nobler, truer friends of mankind never lived. Their work is imperishable. It will last as long as yonder sun shall shine.

Mr. CRISP. Mr. Speaker, SAM RUTHERFORD was my friend, and because I loved him I desire to pay this tribute, however inadequate, to his memory.

He came quietly among us, his gentle spirit moved through the Halls of Congress for but a few years, then took sudden flight to the Great Beyond, but even in so short a season his colleagues came to know and love him well. It was easy to know him and, knowing him, to love him. His nature was of such fine human and friendly quality that even at first meeting one could not regard him as a stranger. Instinctively one felt the impulse to call him "Sam."

In the House he was never assertive, but his colleagues came early to know and respect his quiet strength, to recognize his political and legislative acumen, and to rely upon his judgment.

While there was nothing aggressive about his gentle nature, he stood and fought unswervingly for the right as he saw it. He was indefatigable in his efforts for the betterment of his district and spared no pains to accomplish a just end. Thousands of World War veterans loved him and acclaimed him their champion, and thousands of his constituents mourned his passing.

SAM RUTHERFORD was a man of deeply religious conviction, a conviction his life abundantly exemplified. He was ever calm in the consciousness that a divine guidance could not lead him astray, with him it was instinctive "to do justly, to love mercy, and to walk humbly with his God."

We loved him, but God called him with "one clear call," and he went home. He has left us, but his calm influence will linger long in the memories of the many who loved him.

It was my sad privilege to attend the last sacred rites at his home in Forsyth, Ga. Rarely have I seen such overwhelming evidence of the loving affection of hosts of friends. He lay amid such floral profusion that it seemed as if the good deeds and beauty of his life had blossomed forth to pay him final tribute.

Rev. Robert L. Bivins, his friend and pastor of many years, said of him on this sad occasion:

SAM RUTHERFORD needs no eulogy at my hands. His life is more eloquent of his sterling worth than is anything that can be said about it. His life is an open book known and read of all men, and there is absolutely nothing in that book that would make him or any man ashamed.

I am sure that those who knew him best admired him most and loved him best. Doctor Chamblee has spoken of him as a tried-and-true friend, and I know that he voiced the sentiment of this vast company of people gathered here to pay this last tribute to his memory. Could you speak I know that every one of you would say, "I have lost a friend."

It has been my privilege to know SAM RUTHERFORD intimately for the past 15 years. During eight years of that time I was his pastor, and I am sure that no man and no pastor ever had a better friend. Were I to undertake to name a single trait of his character which was outstanding, I would without question say that it was his dependability. He could be depended upon in all relations of life. His word was his bond, and his life was given in the service of others. He was a man who took life's responsibilities seriously. There was nothing flippant or light in his make-up, and he gave to every task—whether great or small—his best.

As a man he was honest and upright. As a citizen he stood for righteousness. As a public servant he was conscientious and faithful. As a Christian he was genuine and sincere and without sham or hypocrisy or pretense.

He died at his post of duty, and I am sure that the influence of his life will continue to live and bless the world for all time to come. The Good Book throws light upon such a life in the wonderful statement—

"I heard a voice from Heaven saying unto me, Write, Blessed are the dead which die in the Lord from henceforth: Yea, saith the Spirit, that they may rest from their labours; and their works do follow them."

The influence of SAM RUTHERFORD's life goes on and on in the world, with ever-increasing rewards in the world to come.

Mr. McKEOWN. Mr. Speaker, one of the most pleasant and lovable men that ever graced the Hall of Representatives was the Hon. SAMUEL RUTHERFORD. He soon won the affection and esteem of his colleagues and discharged his official duties with efficiency and courage.

His last labors were spent upon the so-called "lame-duck" amendment to the Constitution, which passed both Houses shortly after his leaving.

It can be said of him with absolute truth that selfishness was not in him. As in private life so in his public career, the noblest altruism governed his every act. His protestations of solicitude for his people were not mere lip service; they came from the heart. Every one of his constituents had an ever-present claim upon his services. This service was rendered freely, ungrudgingly; not from any sense of obligation, personal or political, but because he loved to help and do kind deeds. "I serve" was the motto which ruled every moment of his life.

As a Member of the House of Representatives he bore himself modestly but with firm adherence to principles he had established and convictions he had formed. His voice and his vote were untrammeled. Flattery and applause he heeded little, and censure did not move him.

He was a real representative of the people of his State. His wise counsel will be missed in the House and his loss will be felt by his State and the Nation.

His name will be cherished by his friends in Washington and at home.

Mr. RAMSPECK. Mr. Speaker, as we pass through this life we find men noted for various traits of character. Some men are noted for their brilliant mental attainments, some for their ability in public speaking, some for their devotion to duty.

SAMUEL RUTHERFORD was known and loved by those who knew him for his sincerity. His constituents and his colleagues in this House had come to know that his word was as good as any bond; that you could always depend upon what he told you; that he was incapable of anything except frankness and fair play.

To lose such a man is indeed a great loss, not only to the Congress and the Nation but particularly to his friends, both here and in his district. It was such a loss that we sustained when Mr. Rutherford passed away.

It was not my privilege to know him for many years, but in the short time during which I was permitted to associate with him in this House, I came to appreciate his fine qualities and especially his sincerity.

He was not given to oratory, but was a tireless worker for his people, always dependable, always concerned for the general welfare. It is fitting that his last work in Congress brought to final enactment the "lame-duck" amendment to the Constitution. This will go down through the ages as an enduring monument to our friend and colleague.

There are thousands of veterans of the World War who have every cause to revere his memory. His efforts in their behalf were given without stint and he made no effort to capitalize his devotion to their interests.

I deeply sympathize with his family and the host of friends who mourn his passing.

Mr. HARE. Mr. Speaker, it was not a mere incident when I came to Congress in 1925 to soon form the acquaintance of Hon. SAMUEL RUTHERFORD, who was also a new Member of Congress, for he had a disposition that naturally attracted those having their first experience in the House of Representatives. In addition he seemed to have a certain studied consideration for all with whom he came in contact. He was courteous, gentle, and extremely considerate of the feelings and wishes of his friends. Upon further acquaintance I recognized him as a man of ability and discriminating judgment.

It is not surprising, therefore, that I should soon consider him a most valuable friend and would often consult him upon matters of legislative importance. Seldom did he err in drawing proper conclusions in such matters when the facts had been fully presented. He was courageous in the discharge of his every duty. He had clean, clear-cut convictions as to the obligations of a Member of Congress to his constituents, and he did not hesitate to discharge them with fidelity and honor.

As result of my close friendship, I discovered that his election to Congress was not by chance, but because of the recognition of his ability and the confidence imposed by his constituents, for he had filled various positions of honor and trust prior to being elected to Congress. He had served three consecutive terms as mayor of the city in which he lived. He was elected to his State legislature for three consecutive terms and then served in the State senate for one term, being elected to Congress immediately following.

My observation and experience since coming to Congress is that very few men, if any, are elected to this great legislative body by accident. In practically every case you will find that the Members have one or more, and very often many, outstanding accomplishments and qualifications. As a rule they are men who have demonstrated their ability and succeeded in their chosen vocations. More often they are men of a sympathetic disposition, interested in the welfare of their fellow man and anxious to contribute in any way possible to those agencies or factors designed to promote the success and happiness of mankind. SAM RUTHERFORD was not an exception. He not only possessed all of the qualifications suggested, but he was consistent day after day in his efforts to render the greatest possible service to the people of his district, who held him in the highest admiration and esteem.

In paying my humble tribute to the high and noble qualities of my friend and colleague Mr. RUTHERFORD, I do not feel like closing without saying that I consider myself fortunate in having been afforded an opportunity to be thrown so closely to his life, for I am sure that this association has been an inspiration to me in my efforts to render faithful and conscientious service to my constituents.

Mr. LARSEN. Mr. Speaker, SAMUEL RUTHERFORD was my friend, and for him I entertained a high regard and sincere friendship. I first knew him as a member of the Georgia Legislature in 1909, but our intimate acquaintance began when he entered Congress in 1925. Our districts adjoined, our people had similar interests, and we found much opportunity to work together. He was one of those men who live and die for an ideal and for a principle. I soon saw he was one who dedicated his life to an eternal principle and consecrated all desires, all longings, all affection, and all love upon that principle.

Mr. RUTHERFORD had begun the practice of law in the little town of Forsyth, Ga., just after graduation and admission to the bar in 1894. While law was his profession, he had banking and agricultural interests also. Forsyth is a locality where the individual studies the man who represents him in the law, in business, and legislative matters, and SAMUEL RUTHERFORD built a tremendous following by the service he rendered these people. After representing them in the capacities mentioned, he was elected to the State house of representatives, to the State senate, and later to this National Congress.

When the general assembly redistricted the State of Georgia last summer in accordance with the reapportionment law, whereby Georgia was to lose two Representatives, SAM RUTHERFORD, CARL VINSON, and I were put in a district together. Mr. RUTHERFORD was ill in a hospital at the time, but as soon as he had recovered sufficiently to take up his work, he wrote me a very lovely letter concerning "our then supposed candidacy" for Congress from the new district. If we were to seek reelection to Congress, we would necessarily have to oppose each other. Five counties from his old territory were included in the new district, whereas only four of my old ones had been left therein, with six from the old tenth, represented by Mr. VINSON. Sam wrote, "I am sending you my registered voting lists for the counties which I have, because I know you will need them * * *." Such generosity was a mere part of his nature. On several occasions he suggested that we both speak at the same meeting—if he had the invitation, he would arrange that I receive one also. No stronger evidence of unselfishness could have been manifested, and when we reflect just how much was personally involved, it is even more appreciated.

When SAMUEL RUTHERFORD'S "little journey" was abruptly terminated and he lay down his life to embark on his eternal voyage, I do not believe he went unprepared, despite the suddenness of his call. For he was a man who lived life conscientiously, pouring into each day all the vigor and beauty that emanated from his noble character. Just one month before his death a member of the Georgia delegation paid Mr. RUTHERFORD the following high tribute, as fine an indorsement as can be given any person, in my estimation. He said, "Sam's word is as good as his bond. He has never been known to go back on it."

Mr. RUTHERFORD was a gentleman of the highest type. He was not a mere politician. Instead he possessed statesmanlike qualifications, which combined with dignity and fair play won the respect of all who knew him. In truth, he builded his house of life upon the Golden Rule: "Do unto others as you would have them do unto you." Surely it is fitting that we should continue to think of him in the language of that beautiful epitaph which Benjamin Franklin wrote for himself:

> The body of Benjamin Franklin, printer, like the cover of an old book, its contents torn out and stripped of its lettering and gilding, lies here food for worms; yet the work itself shall not be lost, for it will, as he believed, appear once more in a new and more beautiful edition, corrected and amended by the Author.

Mr. DICKSTEIN. Mr. Speaker, I rise to pay honor to the memory of our colleague and my fellow committeeman, the gentleman from Georgia, Hon. SAMUEL RUTHERFORD.

Shortly after he was seated as a Member of this House of Representatives I was one of the Committee on Immigration and Naturalization to greet him upon his election to membership on that important committee, and from that time until his untimely death we stayed side by side in seats next to each other at the table of that rather controversial committee.

During the time we sat together on the minority side of the committee table, Mr. RUTHERFORD impressed me with his legal and legislative ability, with his understanding of the human elements involved in subjects incorporated in bills considered by our committee, and with his sincerity of purpose to do what he could to legislate wisely.

We advanced together in succeeding sessions and Congresses toward ranking positions on the Democratic side of the committee table, sharing the small successes and the setbacks of minority Members through the Seventy-first Congress, and I grew to respect his cooperation and his judgment on all matters which involved the human justices in our restrictive immigration policy.

When the current session of the Seventy-second Congress opened, and I was honored with the Democratic chairmanship of this committee. I felt encouraged by the thought that my arduous duties as chairman would carry also sympathetic, and just cooperation from Mr. RUTHERFORD sitting

at my side as the ranking Democratic member of the committee.

While we labored together on the majority side of our committee from the middle of December, 1931, through January, 1932, and indeed up to the evening of February 3, 1932, I continued to feel his cooperation in solving the inconsistencies and the inhuman features of immigration restriction and the maintenance of just naturalization measures.

In fact, the untimely death of Mr. RUTHERFORD prevented the consideration of a bill which he had introduced and upon which this committee had set a date for a public hearing, and I was shocked beyond expression when informed that he had died suddenly on the morning of February 4. Just the night before, we had conversed regarding the humane and highly desirable features of the bill we were about to consider in committee.

In retrospect, I can not help but feel that the sudden taking from our midst of our colleague, SAMUEL RUTHERFORD, almost at the peak of his career, has deprived our committee of a wise counselor, this House of a constructive legislator, his native State of a logical Representative in the National Legislature, his host of friends wherever his activities had taken him a sympathetic confidant and advisor, and his more intimate friends and nearest relatives a companion and inspiration in every-day contacts and activities.

In closing, may I trust those members of his innermost home circle may be consoled by the consciousness that SAMUEL RUTHERFORD has left behind with them a heritage of honorable service to his profession, to his city, to his State, to his Nation, to his friends, and to his family, and that his death found him in the midst of duty not yet completed and still striving toward accomplishments hoped for.

Mr. WRIGHT. Mr. Speaker, it would do violence to my tenderest emotions and sentiments and the best instincts of my nature if I should allow this opportunity to pass without paying a tribute to my departed friend Hon. SAMUEL RUTHERFORD, who so ably and acceptably represented the sixth congressional district of Georgia from the time of his election to the Sixty-ninth Congress to the date of his untimely passing.

He was tender-hearted, affable, and genial, and loved his fellow man. He was never happier than when rendering them effective and real service. Many pages might be occupied in recounting his charitable acts and deeds of kindness and helpfulness.

He was a civic leader and deeply interested in the advancement and well-being of his city, county, State, and country. He was also a tower of strength in his church and in the realm of true Christian religion. He always displayed a keen interest in political affairs; served his city as mayor for three consecutive terms; was solicitor of the city court of his county; was three times elected to the Legislature of Georgia, and served one term as State senator from the twenty-second district of Georgia.

He was a lawyer of pronounced ability and made his clients' cause his own.

He had great sympathy for the ex-service men of the World War, as well as the veterans of all our wars, and perhaps no Member who ever served in Congress from Georgia was more untiring in his efforts in the aid of these veterans and their dependents and accomplished more for them.

One of his notable achievements during his service in Congress was the passage, just before his death, of a joint resolution proposing an amendment to the Constitution of the United States fixing the commencement of terms of President and Vice President and Members of Congress, and fixing the time of the assembling of Congress. This was essentially the Rutherford resolution, and he ably championed it and it was under his leadership it was passed.

In the death of my friend his community, district, State, and Nation have sustained a distinct loss.

Mr. COX. Mr. Speaker, I would not like this session of the Congress to pass without writing into the permanent RECORD something of the personal appreciation and esteem that I held for my devoted friend the late SAMUEL RUTHERFORD of Georgia. We came here as Members of the Sixty-ninth Congress and served together continuously up until the beginning of the present session, when he was suddenly and unexpectedly taken away. To me his death meant more than the passing of the ordinary or casual friend, for there was nothing of the ordinary or casual in the friendship that we had formed. He was probably my most intimate associate in this splendid group of men, and I grieve that the bond of love that bound us together had to be broken and that he had to surrender the commission which the people of his congressional district had proudfully and repeatedly given him and which he faithfully sought to merit and did merit by giving himself to the public service without stint and without limit.

Death overtook him in the prime of life and in the midst of the performance of his arduous labors, but not before he had made a record of which any man might well be proud. He loved his country and all that has made it great, but his chief concern was in the shaping of public laws in such manner as to insure equal justice for all, the raising of the obscure and underprivileged to the level of joint participation in the benefits of government.

He came here well prepared for congressional service. His interest in life had been varied. As a lawyer, banker, farmer, and legislator his splendid talents were well experienced and disciplined and these he devoted with great zeal to the public business of the country with resultant good to the common mass of men.

Early in his service he became the outstanding champion of the cause of the veteran and his family. Not that he sought to impose upon the country any unjustifiable and unbearable burden, but that he demanded that justice should be the portion of all. And in this behalf he promoted many changes which broadened and liberalized all veteran legislation. For this work he won the plaudits of his colleagues and the country and will be ever remembered with a feeling of deepest affection by the soldier and his dependents everywhere.

By nature he was generous, gentle, and forgiving, but in the prosecution of undoubted wrong he was militant and uncompromising. His friends were legion—all who knew him loved him. As a clean and high-minded Christian he daily practiced his religion in the doing of countless deeds of good. There was not a vestige of meanness in his make-up, no envy, no malice, but a sympathy and affection for all. He was a cultured gentleman, a devoted husband and father, a sincere friend, and a loyal servant of the people. He was a man who made life better at every point where he touched it. In his death his country lost one upon whose unerring opinion and well-seasoned judgment it could well depend. May his sweet tolerance and kindly nature be long remembered, and the influence of his exemplary life go marching on.

ALBERT HENRY VESTAL

Mr. HOGG of Indiana. Mr. Speaker, in the untimely death of ALBERT H. VESTAL the State of Indiana has lost a distinguished son. The Nation has been deprived of a capable and courageous public servant.

Congressman VESTAL was a typical American. Reared on a farm, he became at an early age a steel worker in order to more rapidly obtain funds for his education. He completed a university course and was admitted to the practice of law at 21 years of age. Marked ability and hard work soon placed him in front rank with Indiana's best lawyers. Before he was 30 he had three times been elected a district attorney in Indiana. Eight times he was elected to the Congress of the United States.

Our colleague merited and enjoyed the confidence of everyone. In the House of Representatives his ability was quickly recognized by his associates. He was repeatedly elected whip of his party without opposition. As chairman of an important committee, he was the author of extensive legislation of national significance.

He served his constituency with vigorous devotion. No request was too small to receive his personal attention. His

energetic work, his fine moral character, his characteristic genius for friendship have given him a permanent place in the affection and memory of his colleagues.

We are proud indeed to have been associated in service with him. His singleness of patriotic purpose will ever spur us on to a greater and nobler effort.

What an unknown poet has said may well apply to Congressman VESTAL.

The period of life is brief;
'Tis the red of the red rose leaf;
'Tis the gold of the sunset sky;
'Tis the flight of the bird on high.
Yet one may fill that space
With such an infinite grace
That the red will tinge all time,
And the gold throughout the ages shine;
And the flight of the bird will be swift and straight
To the portals of God's own gate.

Mr. PURNELL. Mr. Speaker, in the passing of our former colleague ALBERT H. VESTAL this House has lost one of its most beloved and valuable Members. His death leaves a vacant place in the State of his nativity and in the hearts of his friends that can never be filled. His popularity was not confined to the members of his own party but was general. The high esteem in which he was held by all Members, regardless of party, was richly deserved because of the fair and friendly manner in which he met, without exception, his many duties. I dare say no Member of the House during his service had more real genuine friends than BERT VESTAL.

He served with distinction and signal effectiveness for many years as his party's whip. Although that purely political office frequently necessitated sharp clashes with the opposition party, he always so conducted himself and his office as to leave no feeling of personal animosity.

Not only has this House lost a valuable Member, but his district, State, and Nation have lost a faithful public servant. There are, of course, varying degrees of service rendered by Members here, but I believe it can be truthfully said that no district in the United States was better represented than his. No man in the House, during his service, gave more unselfish attention to the demands of his constituents than he. No matter was too small, no constituent too insignificant to swerve him from his known policy of giving personal attention to every matter brought to his office by the people of his district. It was this constant application to duty and his desire to take care of the multitude of demands made upon him that contributed largely to his untimely death. BERT VESTAL died in the service of his country just as much as if he had fallen upon the field of battle. He was not only devoted to the people and the interests of his district and State, but he was in like measure and with equal fidelity devoted to his country. Those who come after him, however capable they may be, will find in his record a high standard to excel.

To me his death meant more than the loss of a colleague. He was my personal friend. Our districts in Indiana not only joined, but we entered Congress together in 1917 and served together continuously until his death. My almost daily contact with him during that period gave me a true insight into his character. I was always proud to claim him as a friend and delighted to share with him the innumerable troubles and worries incident to our jobs about which, unfortunately, our constituents know little. His genial personality and radiant optimism often helped to smooth out what seemed to be unsurmountable barriers. His service was an inspiration to us all and will remain as a pleasant memory forever.

I join with his colleagues in expressing to his family, as well as the good people of his district, the sorrow and sympathy which we all feel. They can take comfort in the fact that he performed with fidelity and devotion that which it was given him to do. While he is no longer with us in person, he will remain with us in memory and spirit as long as we are permitted to live.

Mr. LARRABEE. Mr. Speaker, I wish to pay a tribute of respect to the memory of our deceased colleague Hon. ALBERT H. VESTAL, of Indiana.

In the death of Hon. ALBERT H. VESTAL his State and Nation have lost a patriotic and loyal public servant, his district a conscientious and tireless worker, his family a devoted husband and father.

I can not say, I will not say,
That he is dead—he is just away!
With a cheery smile and a wave of the hand,
He has wandered into an unknown land.

And left us dreaming how very fair
It needs must be since he lingers there.
And you—oh you, who the wildest yearn
For the old-time step and the glad return.

Think of him faring on, as dear
In the love of there, as the love of here.
Think of him as the same, I say,
He is not dead—he is just away.

—James Whitcomb Riley.

Mr. REED of New York. Mr. Speaker, in the death of Hon. ALBERT H. VESTAL, of Indiana, the Nation lost a great and good man. For eight terms he served the people of the eighth district of Indiana with fidelity and distinction. He was loved, respected, and esteemed by his colleagues. A fearless and able fighter for every worthy and just cause, he was at all times fair and courteous to those who opposed or differed with him. He was unremitting in his toil for those whom he had the honor to represent; the soldiers, the toiling masses, the unfortunate, the widows and orphans, and every child had in him a true and loyal friend.

"Bert," as he was affectionately called by his colleagues and his constituents, was a man of perpetual sunshine and good cheer; he was a man among men and a boy among boys. These charms, coupled with unusual ability, made him a leader and placed upon his shoulders heavy legislative burdens and responsibilities. His legislative record is one of conspicuous achievement. The Nation can ill afford to lose the influence and service of such a man in public life.

Much as we his colleagues miss him and mourn his loss, we rejoice that he left to his Nation, to his State, and to his family the priceless heritage of a good character and a good name.

Mr. BURTNESS. Mr. Speaker, in the death of ALBERT H. VESTAL, late a Representative of the State of Indiana, the country lost a devoted servant and I one of my dearest friends.

I leave to his colleagues from Indiana the task of detailing his public service.

For several years Mr. VESTAL served as Republican whip in the House of Representatives. No new Member arrived here without appreciating the kindly and courteous way in which he was treated by Mr. VESTAL. I know from experience and observation that he attracted men to him and inspired confidence wherever he went.

Mrs. Burtness and I have been entertained in the home of Mr. VESTAL and his splendid wife at Anderson, Ind. There they were both loved by their neighbors just as they were in congressional circles in Washington. This is not strange, for none could be more hospitable, more friendly, or more helpful in time of need. They never considered their own comfort or convenience when there was an opportunity to serve others.

Mr. VESTAL was devoted to his wife and two children. To them the hearts of a legion of friends overflowed with loving sympathy in their sudden bereavement. They have the comfort not only of knowing that as a citizen he served well his community, State, and country but also a host of the finest recollections of him as an ideal husband and father.

On Sunday, April 3, 1932, we laid away his mortal remains in the soil of the State of Indiana which he so dearly loved. The beautiful and impressive tribute paid him by thousands of neighbors, friends, constituents, colleagues, and men and women in official life in the State and Nation was a scene

I shall never forget. It will always remain an inspiration to those who witnessed it to render, as he did, faithful and conscientious service.

Blessed be his memory.

Mr. LEA. Mr. Speaker, I came to Congress the same year as our late colleague, Hon. ALBERT H. VESTAL. Shortly our acquaintance ripened into a friendship which these years of contact in and out of Congress cemented into confidence and affection. We had 15 years of friendly contact without a jarring note and, so far as I know, without an ill wish to mar the memory of that friendship.

BERT VESTAL, as we all preferred to call him, was a good Congressman. He was loyal to his people. He had a commendable sense of responsibility to his country; a desire to serve her best interests. He was attentive to his duties. He measured those duties with a keen, wholesome judgment with which a life of broad contacts and, above all, a thoroughly human sympathy had endowed him.

This is not the place for presentation of the details of his work in Congress. The printed page can give no adequate portrayal of the good, wholesome character and qualities of BERT VESTAL. Those qualities will be fully appreciated only by those who knew him by contact and who shared his confidence and friendship.

A man may be a good Congressman and well serve his country and thus deserve the appreciation of his fellow men, but that career would be in vain without the qualities that establish him as a real man among his fellows. Our colleague had the qualities that bring out our most cherished commendation. To an unusual degree he was sincere in all his relations, political and personal. Loyalty to his friends was as natural to him as his own existence. His heart responded in sympathy to every misfortune. An injustice or wrongdoing, particularly to the weak and helpless, would instinctively bring his most courageous opposition and condemnation.

An important part of the life of BERT VESTAL was the sympathy, understanding, companionship, and affection of his splendid wife, who so wonderfully shared his life in all its phases and gained with him a place in the affection of all his friends.

Mr. CHINDBLOM. Mr. Speaker, I shall not dwell on the distinguished public service to his constituents and to the country of my late colleague and friend the Hon. ALBERT H. VESTAL; nor shall I speak of his valuable contributions to the success of his political party and mine, the Republican organization, as a campaigner in hard battles, or as the whip of his party in the House. Neither shall I refer, except in passing, to his delightful personal charm as an entertainer, or even as a performer of merit when he gave his friends ample proof of his histrionic ability. Those and many other excellencies were his possession, acquired by toil, talent, and industry. He was scholar, lawyer, and statesman, and achieved an honorable public career. My main purpose, however, in this brief eulogy is to pay tribute to BERT VESTAL as a friend, a comrade, an associate, whose loyalty and devotion and steadfast allegiance to person and principle were outstanding characteristics. He was one of my early friends in the House, and I was greatly grieved by his sudden death. I cherish his memory, and tender deepest sympathy to his widow and children.

Mr. CANFIELD. Mr. Speaker, when ALBERT H. VESTAL passed on, this body lost a valuable and useful Member, the State of Indiana an able and dependable statesman, and the city of Anderson, Ind., one of its most able and beloved citizens.

It is with deep feeling of sorrow and keen sense of regret that I endeavor to pay a tribute of admiration and respect to the memory of my friend, ALBERT H. VESTAL. For him I entertained a high regard and sincere friendship.

"Bert" as we intimately and affectionately knew him, was ever at the command of his friends and colleagues when opportunity offered to lend a helping hand or to do a kindly deed. He was known and loved by those who knew him for his honesty and sincerity. His constituents and his colleagues in the House had come to know that his word was as good as any bond; that you could always depend upon what he told you, and that he would stand for nothing but frankness and fair play.

BERT VESTAL knew farm conditions, as he was born and reared on a farm; he knew the needs of the laboring men, as he had been one of them, having in his younger days worked in the steel mills and factories; he knew the desires of the professional and business men, as he was a lawyer and a business man.

I class BERT VESTAL as one of the most typical examples of a successful citizen with whom it has been my good fortune to be associated. He was a poor country lad, dependent upon his own efforts to obtain an education. He worked his way through college and studied law under adverse conditions and under financial limitations. His early training and experience made it possible for him to develop into one of the most useful Members of the House. His great wealth of information, his profound knowledge of legal principles, his strong and logical intellect and superb powers for the presentation of his views gave him unusual advantage in the discussion and consideration of problems of national import. He had pronounced views on all great public questions and always had the courage to express them.

There is little I can add to the words of tribute expressed by others. My appreciation of BERT VESTAL's ability, his genial, buoyant nature, his love of his fellows, and his understanding of their problems is probably only what all have sensed. In his passing we have lost a tried and lovable friend, and yet in the knowledge of that loss is there not a feeling of deep gratitude and appreciation that we have been privileged to have known such a man?

Bert still lives and will continue to live in the memory of his many friends and, I am sure, is in restful peace in the world beyond.

I deeply sympathize with his family and the host of friends who mourn his passing.

EDWARD M'MATH BEERS

Mr. DOUTRICH. Mr. Speaker, the lamented passing of our colleague, EDWARD M. BEERS, was a distinct shock to everybody who knew him. He was a most active and effective worker and a citizen of distinction in his State.

Mr. BEERS, early in life, learned the need for industry. He soon discovered that success came from work—that work was one of the essential needs of those who would succeed, and he devoted himself to the task of becoming a success. We all know that he did succeed.

He was a benefactor for the good his benefactions did to those who received them and not for the publicity which he might receive as the result thereof. He lived to do things for the public and for the people he liked. His word was always kept. If he believed in a thing he did it. He did not enter into arguments as to why he did it or why he refused to do it. He was a public servant in the truest sense. He was not in public life because he wanted additional power—he was in the service because he wanted to serve. The key to his life and character was his devotion to service. In his public and private life he served others unselfishly. As a Member of the House he served well and faithfully those whom he represented.

A sense of humor is always a happy virtue for anyone in public life. Mr. BEERS was blessed with a sense of humor that made it always a pleasure to be with him.

Mr. BEERS was a good man; he was a charitable man; he was an able and wise man; and possessed many elements of true greatness; and the country, as well as the State of Pennsylvania, has suffered a severe loss in his passing.

Mr. STEVENSON. Mr. Speaker, the Hon. EDWARD M. BEERS filled a place in the House of Representatives with fidelity, intelligence, and industry for nearly nine years.

It was my good fortune to serve on the Committee on Printing with him during all of that period; and the large discretionary powers which that committee, in conjunction with the Printing Committee of the Senate in what is known as the Joint Committee on Printing, possesses, is an invitation to dictatorial exercise of power, which is always a true test of a man's character.

During that service a spirit of fairness was always displayed by Mr. BEERS and the zealous record he held for the rights of people having business with the committee and the consideration, in particular, he always showed for the rights of the employees of the Government Printing Office, always impressed me not only with the fundamental honesty and humanity of Mr. BEERS but with his loyal support of the principles of the Master whom he professed and unostentatiously served, believing that the highest duty of man is to do unto others as you would they should do unto you.

His death is a loss to this House and to his State and was a peculiar affliction to myself and to those closely associated with him.

His personal character was above reproach. Even in the heat of strenuous campaigns there were never any aspersions cast tending to reflect on his character or integrity. His family life was most beautiful and was not marred by a single shadow.

He was a member of the Methodist Episcopal Church, and not only took an active part in all church affairs but also showed his faith in his life and the work that he did. He had an abiding faith in the triumph of goodness, and believed not so much in the punishment of evil as in its final elimination from human lives and the realization of the highest and noblest destiny both of the individual and the human race. He believed that—

Religion is a necessary, an indispensable element in any great human character.

And held that—

Dim as the borrowed beams of moon and stars
To lonely, weary, wandering travelers,
Is reason to the soul; and as on high
Those rolling fires discover but the sky,
Not light us here; so reason's glimmering ray
Was lent, not to assure our doubtful way,
But guide us upward to a better day.
And as those mighty tapers disappear
When day's bright lord ascends the hemisphere,
So pale grows reason at religion's sight;
So dies, and so dissolves in supernatural light.

Mr. SWICK. Mr. Speaker, under leave to extend my remarks, I wish to include a brief tribute to Judge EDWARD M. BEERS, late a Representative from the Commonwealth of Pennsylvania.

This beautiful tribute comes from the Bolgiano Bible Class of Foundry Methodist Episcopal Church, Washington, D. C., of which Mr. BEERS was a regular and devoted attendant when in the Capital.

EDWARD M. BEERS

The members of the Bolgiano Class of Foundry Methodist Episcopal Church miss Brother EDWARD M. BEERS, whom God—in His all-wise judgment—has seen fit to call home.

We pause in profound sorrow to-day as we realize that Brother BEERS is no longer with us. We miss the warmth and cheer of his greeting—his friendly handclasp—his pleasant smile—his voice in prayer and song—his words of inspiration.

A great man has left our midst.

He was great because he stood squarely for the highest and noblest things in life.

He was great because he was a man of courage and conviction.

He was great because he was a man of broad and sympathetic understanding.

He was great because he achieved an honored and respected voice in the counsel of our Nation.

He was great because he commanded the instant admiration and respect of all who met him.

Brother EDWARD M. BEERS was born May 23, 1877, near Nossville, Pa. He died in Washington, D. C., April 21, 1932. His early childhood was spent on his father's farm. When he was 12 years old his family moved to Mount Union, Pa., where his father became the owner of a hotel which Brother BEERS later managed.

EDWARD BEERS came of Christian parents. He grew up in the church of God, always active in religious affairs. For many years he was superintendent of the Sunday school of the First Methodist Episcopal Church of Mount Union and also served on the official board of that church.

He was widely known among Methodists throughout Pennsylvania. He was one of the promoters of the Methodist Training Camp at Newton Hamilton and was a member of its board of directors. At the time of his death he was its president.

He served as associate judge of Huntingdon County, Pa., for nine years. He had the great distinction of being elected judge without his name appearing on the printed ballot.

He was vice president of the First National Bank of Mount Union and was a director of the Grange Trust Co. of Huntingdon.

In 1922 he was elected to Congress and was reelected four successive times.

His fellow men put their faith in him because they could not do otherwise. His very nature made people love him, and depend upon him.

In Dr. Frank W. Collier's teachings, he found many things which satisfied his heart and mind, and which touched him deeply.

Brother BEERS is missed—and will be missed still more as time goes by.

The Nation will miss him, particularly in this hour of anxiety and distress. The communities in which he moved will miss him. And we ourselves shall miss him in the days to come.

Not for him do we sorrow, because his is a rich reward attained, but we sorrow for ourselves that we can not longer have him with us.

To his loved ones, who will miss him as no one else possibly can, our hearts go out in deepest sympathy, and we pray that the influence of his spiritual life may comfort those who mourn, and that they, with faith like his, may "trace the rainbow through the rain," and see the promise of the resurrection through their tears.

"Christ arose! and, because He lives, we too shall live."

Be it resolved, That a copy of these resolutions be sent to Mrs. Edward M. Beers, that a copy be spread on the records of the Bolgiano Class, and a copy on the records of the official board of Foundry Church.

By the Bolgiano Class of Foundry Methodist Episcopal Church.

ART BROWN,
LOUIS W. MATTERN,
FRANK E. BEST,
Committee.

WASHINGTON, D. C., *May 1, 1932.*

Mr. RICH. Mr. Speaker, again the angel of death has taken from our midst a good father, a dutiful husband, and a friend to all mankind. The Hon. EDWARD M. BEERS was one of the finest of men—loved and esteemed by all who knew him—honorable, upright, sincere, and conscientious, attending to his duties in Congress and elsewhere in the best possible manner.

He had the greatest concern and interest in those things in life that were vital to the welfare of his friends and to the general good of his country. He took great interest in the work assigned to him in Congress, on committees and on the floor of the House. The Hon. EDWARD M. BEERS represented the eighteenth Pennsylvania district, known as the shoestring district, for five consecutive terms. He gave undivided attention to his committee work and to legislation on the floor of the House. He became chairman of the Committee on Printing of the House and rendered excellent service to that committee; he was appointed vice chairman of the Joint Committee on Printing in 1930 and served on these committees until his death.

He was extremely interested in his church, in the Sunday school, and many times did he talk to me about the work of the men's Bible class and the pleasure and enjoyment he received in attending this class meeting every Sunday morning. He was a firm believer in that Golden Rule laid down for us all, "Do unto others as ye would that men should do unto you," and I believe he practiced it as well as any man could.

The host of friends who mourned his departure rejoice in the fact that he lived such an honest, clean, Christian life that we realize he is now at home in the heavenly land where his pleasures and joys abound in greatest glory. His life is a monument to us all, to emulate his great deeds and acts that we may reap that harvest of undying joy and happiness when we are summoned to that Great Beyond.

While we here in this world shall miss him, we know that our loss is his gain, our sorrow for his departure is joy to the angels in heaven, and while we go about our daily tasks we realize our lives have been enriched by his association; our joys have been increased by mingling with him. He will always linger in our memory as a true friend and brother.

Sleep on, dear friends, such lives as thine
Have not been lived in vain,
But shed an influence, rare, divine,
On lives that here remain.

Mr. KINZER. Mr. Speaker, in the death of Hon. EDWARD M. BEERS, the Pennsylvania delegation suffered a deep loss.

For almost a decade Representative BEERS served his district, his State, and his Nation in this hall, representing a proud agricultural district. His constituents knew him as their friend, and he knew them in their many and varied interests and was ever willing and untiring in his efforts to serve them.

Much that is great and noble can be said of his public services, but high above all this, which is more beautiful and more enduring, it can be said that Mr. Beers was truly a good man and a Christian. Well may the youth of his district and of the world emulate the example which was set for them by this great and good man.

He believed that in the moral order men should live without hindering the lives of others, should live to aid others in attaining more complete life, and that a day will come when the individual will be blessed in "hand and foot and soul four-square, fashioned without fault," fit closely into the moral order as the perfect ashlar.

He was a loyal friend, a loving husband, a kind father, and an energetic, conscientious man possessed of high ideals and of deep religious purpose. His accomplishments on earth were wrought in strength and honor. His memory will be cherished by his colleagues and friends.

Mr. DARROW. Mr. Speaker, although all of us realize the certainty of death, every time a final summons comes our hearts are filled with sadness. Particularly is this true when the flag on the Capitol is at half-mast in mute evidence of the passing of another public servant.

In the recent death of our colleague, Hon. EDWARD M. BEERS, I lost a good personal friend, his district lost a painstaking and noteworthy Representative, his State and country a patriotic and loyal public servant, and his family a loving and faithful husband and father. Personally, I had the highest regard for Mr. BEERS, and am happy to have had the privilege of associating and laboring with him.

It may truly be said that our late colleague entered upon his duties with unusual zeal and earnestness, giving his best efforts to every task. As a consequence his talents were recognized early in his congressional career; and although his service with us covered a period of less than eight years, he had attained a position of vast influence and his counsel and advice were frequently sought by his associates.

Congressman BEERS was devoted to the interests of his constituency, and those of us who attended his funeral at Mount Union will never forget the efforts of his great host of friends and constituents to pay honor in their last tribute to a dear friend and public servant.

While ED BEERS has embarked on that journey from which none return, and his legion of friends and admirers will greatly miss him, the memory of his public service and notable accomplishments in his comparatively short career will ever be a priceless heritage to his family and friends.

Mr. GUYER. Mr. Speaker, early in my first term as a Representative I became acquainted with Congressman EDWARD M. BEERS. He represented the district in Pennsylvania in which my father was born and in which, with the exception of three years, my mother spent her girlhood and young womanhood. This formed a tie that led to a warm and lasting friendship which I enjoyed to the time of his untimely death. He was a man of such powerful physical development and seeming perfection of health that his death caused great surprise mingled with profound sorrow and regret among all his congressional friends.

I was particularly fond of Mr. BEERS, having lived for years at the same hotel and having been his golf partner in many fondly remembered games during the recent years. I have known few men who enjoyed life with more zest than this whole-souled Pennsylvanian. It was a joy to be with him, with all his exuberance of life and good nature. In all my experience with him, in play, in the forum, and on the street, I have never seen him with patience exhausted or his temper stirred to heat or anger. He lived a fine and useful life, and his place in the community, in his State, and in his Nation will not be easily filled.

His family life was ideal, and he left to wife and son a beautiful memory and a rich heritage in his honorable and exemplary life. He took an active and important part in the social, church, and business life of his community. He liked folks and enjoyed the association with his friends, with whom he was always popular and toward whom he always extended the most sympathetic attention. He held a high place in the estimation and affection of his colleagues and was a consistent and arduous worker on the committees on which he served. He was a Representative of high rank and he served his district and his State with distinction and honor. He occupied an exalted position in the estimation of his constituency, whom he served with consecrated devotion. His people will miss his broad-visioned statesmanship and untiring devotion to duty. To that long line of distinguished men whom Pennsylvania has contributed to the service of the Nation EDWARD M. BEERS will add luster.

Mr. MANLOVE. Mr. Speaker, one of our colleagues, the Hon. EDWARD C. BEERS, has gone. He was loved and respected by all who knew him. If I should write a thousand pages in which I should attempt to draw the picture of his beautiful life, I could not do justice to the full kindness of his overflowing heart. He loved mankind. His ambition in life was to serve his fellow man, and that very service which he extended to his colleagues, his constituents, and his friends undoubtedly shortened the days of his life.

A poet whose life must have been imbued with that sweet sentiment toward the passing world was surely thinking of humanity and his more unfortunate, footsore, and weary brethren in the same spirit in which EDWARD M. BEERS always thought of them when he wrote that beautiful poem:

Let me live in a house by the side of the road,
  Where the race of men go by—
These men who are good and the men who are bad,
  As good and as bad as I.
I would not sit in the scorner's seat
  Or hurl the cynic's ban—
Let me live in a house by the side of the road
  And be a friend to man.

ED BEERS and I came to Congress at the same time. We counseled with one another and I drew from my association with him many helpful and strengthening ideals of life. He was the soul of courtesy, accommodation, and kindness, yet calm, collected, and courageous.

His quiet and unassuming manner, his generosity to those who disagreed with him, and his entire freedom from all that was superficial or false characterized him in the full light of the true man which he was and endeared him to his colleagues in Congress.

At the time of his death he could not have been loved more. His strength of character was unbounded, his opinion was sought, his record in Congress enviable. He died at his post of duty at the hour when the world needed him most. It is strange. We can not fathom his early departure. His record stands unmarred. The story of his life is an inspiration and a guidepost to ambitious young men—

The heights by great men reached and kept
  Were not attained by sudden flight,
But they while their companions slept
  Were toiling upward in the night.

AFTER RECESS

The recess having expired, at 1 o'clock and 27 minutes p. m., the House was called to order by the Speaker.

EXTENSION OF REMARKS

Mr. BUCKBEE. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by including a statement from the mayor of the city of Rockford and a resolution from the city council of that city on the economic situation.

The SPEAKER. Is there objection?

Mr. STAFFORD. Mr. Speaker, I object.

Mr. KNUTSON. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by printing a resolution recently adopted by the Northwestern Retail Dealers Association in opposition to the inland waterway-development project at this time.

The SPEAKER. Is there objection?

Mr. STAFFORD. Mr. Speaker, I object.

RIVER AND HARBOR DEVELOPMENT

Mr. WILLIAM E. HULL. Mr. Speaker, I ask unanimous consent to proceed for two minutes.

The SPEAKER. Is there objection?

There was no objection.

Mr. WILLIAM E. HULL. Mr. Speaker, I ask unanimous consent to insert in the RECORD, for the information of the Members of the House, a statement that has been furnished me by Maj. Gen. Lytle Brown, Chief of Engineers of the War Department, showing the estimated cost of building river and harbor projects authorized by Congress, which are fully justifiable at the present time in the interest of commerce and navigation.

I understand, Mr. Speaker, that the Congress may decide to enlarge its relief program and authorize the appropriation of additional money for the relief of agriculture and for the completion of revenue-producing public works in order to relieve as far as possible the unemployment situation that is rapidly becoming a menace throughout the Nation. If such a program should be sponsored by the Congress, I know of no project that would afford as great employment of labor, dollar for dollar, as would the completion of the work that has been authorized for the rivers and harbors system, and I know of nothing that the Government could do that would bring about more immediate relief for agriculture and kindred industries than the completion of the inland-waterway system.

Mr. MOUSER. Mr. Speaker, will the gentleman yield?

Mr. WILLIAM E. HULL. Yes.

Mr. MOUSER. Does not the gentleman think that development of the inland-waterway system at this time will further destroy the jobs of railroaders?

Mr. WILLIAM E. HULL. I think it will help jobs 100 per cent.

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

There was no objection.

The statement is as follows:

WAR DEPARTMENT,
OFFICE OF THE CHIEF OF ENGINEERS,
Washington, May 25, 1932.

Hon. W. E. HULL,
House of Representatives, Washington, D. C.

MY DEAR MR. HULL: In accordance with your request I take pleasure in furnishing you with a copy of the statement showing the estimated cost of completing river and harbor projects authorized by Congress, which are fully justified at the present time in the interests of commerce and navigation, as presented to the subcommittee of the Commerce Committee of the United States Senate in a hearing of April 9, 1932. You will note that these projects total approximately $197,000,000.

In addition to the projects shown on these lists the following important projects have been authorized by Congress, for which the full appropriation necessary for completion has not been authorized.

	Total estimated cost	Authorized appropriation	Amount remaining to be authorized
Mississippi River	$124,000,000	$7,500,000	$116,500,000
Tennessee River	74,700,000	5,000,000	69,700,000
Miami Harbor	885,000	200,000	685,000
Missouri River, Kansas City to Sioux City	53,750,000	27,000,000	26,750,000
Total			213,635,000

This statement does not include the Connecticut River, Hartford to Holyoke, now under review under committee resolution.

Sincerely yours,

LYTLE BROWN,
Major General, Chief of Engineers.

(Inclosures: Tables from hearings before subcommittee.)

Statement showing the estimated cost of completing river and harbor projects authorized by Congress which are fully justified at the present time in the interests of commerce and navigation

FIRST PRIORITY

	Required for completion in addition to funds on hand
Allegheny River, Pa	$5,825,000
Baltimore Harbor and Channels, Md	918,000
Black Warrior, Warrior, and Tombigbee Rivers, Ala	252,000
Caloosahatchee River-Lake Okeechobee drainage area, Florida	6,149,000
Cleveland Harbor, Ohio	410,000
Columbia and Lower Willamette Rivers below Portland, Oreg., and Vancouver, Wash	340,000
Delaware River, Philadelphia to the sea	185,000
Erie Harbor, Pa	30,000
Frankfort Harbor, Mich	145,000
Houston Ship Channel, Tex	44,000
Hudson River, N. Y	907,000
Hudson River Channel, N. Y	1,440,200
Illinois River:	
Mouth to Utica	975,000
Utica to Lockport	4,300,000
Kanawha River, W. Va	4,000,000
Los Angeles and Long Beach Harbors, Calif	635,000
Manasquan River and Inlet, N. J	99,300
Milwaukee Harbor, Wis	50,000
Mississippi River:	
Illinois River to Minneapolis	6,950,000
Ohio River-Illinois River	12,800,000
Missouri River, Kansas City to mouth	11,290,000
Mobile Harbor, Ala	195,000
Mobile Bay-New Orleans waterway	10,000
Monongahela River, Pa. and W. Va	410,000
Newark Bay-Hackensack and Passaic Rivers, N. J	400,000
Norfolk Harbor, Va	11,200
Ohio River:	
Open-channel work	4,650,000
Lock-and-dam construction	6,000,000
Oswego Harbor, N. Y	1,510,000
Pensacola-Mobile Bays waterway	265,000
Pollock Rip Shoals, Nantucket Sound, Mass	16,500
St. Johns River, Fla., Jacksonville to the ocean	320,400
San Francisco Harbor, Calif	781,000
Tampa Harbor, Fla	259,500
Taunton River, Mass	590,000
Texas City Channel, Tex	120,000
	73,283,100

SECOND PRIORITY

Alabama River, Ala	579,200
Ashland Harbor, Wis	40,000
Ashtabula Harbor, Ohio	309,000
Bay Ridge and Red Hook Channel, N. Y	788,900
Black Rock Channel and Tonawanda Harbor, N. Y	720,200
Brazos Island Harbor, Tex	2,358,000
Bridgeport Harbor, Conn	328,000
Bronx River, N. Y	1,900,000
Brunswick Harbor, Ga	216,000
Buttermilk Channel, N. Y	4,300,000
Cape Fear River above Wilmington, N. C	11,750
Cape Fear River-Winyah Bay waterway	4,139,000
Carters Creek Bay, Va	8,000
Cashie River, N. C	5,000
Channels in Lake St. Clair, Mich	2,642,000
Charleston Harbor, S. C	103,000
Chesapeake-Delaware Canal	183,300
Cockrells Creek, Va	59,000
Conneaut Harbor, Ohio	140,000
Crescent City Harbor, Calif	40,000
Delaware Bay, Harbor of Refuge, Del	287,000
Delaware River, Philadelphia to the sea	2,660,000
Detroit River, Mich	12,068,400
Dorchester Bay and Neponset River, Mass	162,000
East Chester Creek, N. Y	283,000
East River, N. Y	6,980,000
East Rockaway (Debs) Inlet, N. Y	610,000
Fairport Harbor, Ohio	526,000
Fall River Harbor, Mass	167,000
Glen Cove Creek, N. Y	26,750
Grand Haven Harbor and Grand River, Mich	21,000
Grays Harbor, inner portion, and Chehalis River, Wash	161,500
Green and Barren Rivers, Ky	2,200,000
Gulfport Harbor, Miss	121,000
Harlem River, N. Y	2,769,000
Holland Harbor, Mich	128,000
Honolulu Harbor, Hawaii	675,000
Horn Harbor, Va	6,000
Housatonic River, Conn	295,000
Huron Harbor, Ohio	46,000
Indiana Harbor, Ind	357,000
Jacksonville and Miami waterway	2,535,000
Jamaica Bay, N. Y	2,300,000

	Required for completion in addition to funds on hand
James River, Va	$3,079,000
Lorain Harbor, Ohio	115,000
Louisiana-Texas intracoastal waterway:	
New Orleans-Sabine River section	1,695,800
Sabine River-Corpus Christi section	5,900,000
Lynn Harbor, Mass	80,000
Manhasset Bay, N. Y	63,000
Manistee Harbor, Mich	45,000
Missouri River, Kansas City to Sioux City	20,070,000
Monroe Harbor, Mich	490,500
Monterey Harbor, Calif	285,000
New Bedford and Fairhaven Harbor, Mass	425,000
Newtown Creek, N. Y	330,000
Niagara River, N. Y	1,535,600
Oklawaha River, Fla	41,400
Petaluma Creek, Calif	185,000
Port Aransas, Tex	395,000
Port Chester Harbor, N. Y	9,900
Port Jefferson Harbor, N. Y	99,000
Quillayute River, Wash	12,000
Raritan River, N. Y	45,000
Richmond Harbor, Calif	30,000
Saginaw River, Mich	572,000
St. Clair River, Mich	5,202,100
St. Johns River, Palatka to Lake Harney	63,000
St. Marys River, Mich	3,042,700
San Diego Harbor, Calif	267,250
San Joaquin River, Calif	492,400
Savannah Harbor, Ga	1,772,800
Savannah River below Augusta, Ga	1,289,400
Seattle Harbor, Wash	10,000
Skamokawa (Steamboat) Slough, Wash	9,450
Tennessee River, Tenn	4,820,000
Thames River, Conn	169,000
Waddington Harbor, N. Y	20,000
Waukegan Harbor, Ill	25,300
Willamette River above Portland and Yamhill River, Oreg	210,000
Winyah Bay, S. C	158,800
	107,310,400

THIRD PRIORITY

Baltimore Harbor and Channel, Md	800,000
Cape Lookout (N. C.) Harbor of Refuge	1,160,000
Charleston-Winyah Bay Waterway, S. C	66,400
Coney Island Channel, N. Y	56,900
Congaree River, S. C	149,000
Connecticut River above Hartford, Conn	1,000,000
Flushing Bay Harbor, N. Y	365,000
Fox River, Wis	40,000
Great Kills, Staten Island, N. Y	62,000
Grosse Tete Bayou, La	100,000
Hoquiam River, Wash	50,000
Los Angeles and Long Beach Harbors, Calif	7,000,000
Mamaroneck Harbor, N. Y	25,600
New London Harbor, Conn	75,500
Norfolk-Beaufort Inlet Waterway	300,000
Northeast (Cape Fear) River, N. C	25,375
Oakland Harbor, Calif	232,000
Onancock River, Va	56,000
Roanoke River, N. C	42,000
Snake River, Oreg., Wash., and Idaho	80,000
Southwest Pass-Mississippi River, La	1,000,000
Swinomish Slough, Wash	50,000
Teche Bayou, La	144,000
Tolovana River, Alaska	40,000
York River, Va	75,000
Youghiogheny River, Pa	3,500,000
	16,494,775

RECAPITULATION

First priority	73,283,100
Second priority	107,310,400
Third priority	16,494,775
	197,088,275
Total amount of projects	410,723,275

MESSAGE FROM THE SENATE

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

S. J. Res. 165. Joint resolution authorizing the President of the United States to present the distinguished-flying cross to Amelia Earhart Putnam.

FEDERAL RELIEF

Mr. CONNERY. Mr. Speaker, I ask unanimous consent to address the House for five minutes.

The SPEAKER. Is there objection?

There was no objection.

Mr. CONNERY. Mr. Speaker, at this time, right after the gentleman has called attention to the letter of General Brown with reference to public works, I rise to call the attention of the House to the fact that on January 19, of this year, the Committee on Labor, of which I have the honor to be chairman, reported to the House a bill calling for $700,000,000 for Federal relief; $500,000,000 of that was to be for loans to the States. The States were to put up their bonds, notes, or debentures as security and were to be given 10 years to pay the money back. If they did not pay it back at that time, it was to be taken out of the Federal highway contributions at the rate of one-tenth of the Federal highway appropriation per year. Two hundred million dollars was to be spent for projects already allocated on public works for which no appropriation had been made. My idea at this time in calling this to the attention of the House is because I want the House to know that the Committee on Labor was on the job over five months ago in reference to Federal relief. We considered the Huddleston bill, which calls for $100,000,000 direct Federal relief, and the Lewis bill which calls for $375,000,000. Finally, the Committee on Labor reported out the Connery $700,000,000 bill. We went to the Rules Committee and were supported by the entire organized labor of the United States, all of the railroad labor organizations, the American Federation of Labor, and all labor organizations in the country in asking Congress to take action on this bill.

The Rules Committee did not give us a rule. I call this to the attention of the House without any bitterness or any criticism particularly of the Committee on Rules, but in order to let the House know, as I say, that the Committee on Labor was on the job five months ago. I am happy at this time to see that Members of the other body and that the Speaker of this House have taken up the matter, and that the Speaker of the House has introduced a bill which is going to call for Federal relief. I am in favor of any bill which will bring relief for the people. We have been taking care of the bankers, the international bankers, and the big interests in the United States, and it is about time that we took care of the starving men, women, and children in the United States. [Applause.]

Mr. MEAD. Mr. Speaker, will the gentleman yield?

Mr. CONNERY. Yes.

Mr. MEAD. I call the gentleman's attention to the fact that to-morrow evening we are going to have a meeting in the House Office Building, at which time and place we will hear from the President of the American Federation of Labor, the head of the Grange, and an expert economist on the need of legislation such as the gentleman has mentioned.

Mr. CONNERY. I shall be glad to attend that meeting. In conclusion I wish to say I am happy to favor any legislation which will bring relief. We find William Randolph Hearst through his papers suggesting a $5,000,000,000 prosperity loan. I am in favor of that proposition, which would do much to take care of the people, those who are out of work and hungry and in need. Of course, my personal belief is that the first $2,000,000,000 should be used to pay the soldiers' bonus, for they were the ones who saved the country billions of dollars and are now in need of help from the Government for which they fought. [Applause.]

The SPEAKER. The time of the gentleman from Massachusetts has expired.

KENT *v.* COYLE

Mr. CLARK of North Carolina. I ask unanimous consent to insert in the RECORD the report of the committee in the contested-election case of Kent *v.* Coyle.

The SPEAKER. The gentleman from North Carolina asks unanimous consent to insert in the RECORD the report of the Committee on Elections No. 1, in the contested-election case of Kent *v.* Coyle. Is there objection?

Mr. STAFFORD. That is the election case that we disposed of yesterday?

Mr. CLARK of North Carolina. Yes.

Mr. STAFFORD. What is the value of having it in the RECORD now at the expense of the taxpayers of the Nation?

Mr. CLARK of North Carolina. It simply shows the ground on which the case was decided.

Mr. STAFFORD. Mr. Speaker, I object.

GOVERNMENT COMPETITION IN BUSINESS

Mr. LOZIER. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by printing an address delivered by my colleague, Hon. JOSEPH B. SHANNON, at Kansas City, Mo., on May 18.

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

There was no objection.

Mr. LOZIER. Mr. Speaker, on May 18, 1932, my distinguished colleague from Missouri, Hon. JOSEPH B. SHANNON, delivered an address at the Kansas City Live Stock Exchange in which he demonstrated that the Federal Government has forced its way into active competition with private business to an amazing extent. The Government's participation in private business activities was at first under cover, but now this competition is open and aboveboard, extending to a multitude of activities, to the serious injury of private industry. Mr. SHANNON showed that in many instances the small retail merchant sees his business shrink and his profits disappear by being deprived of trade to which he is justly entitled under our economic system and scheme of government.

Mr. SHANNON's speech was published in the Kansas City Daily Drover's Telegram, a publication of wide circulation and great influence. This paper is owned and published by members of the Neff family, long identified with the livestock industry in Kansas City and the Middle West. The founder, or one of the founders, of the Drover's Telegram, the late Hon. Jay Neff, was one of the outstanding citizens of Kansas City, having with fidelity and honor served as mayor of that metropolis, and as evidence of his liberality and public spirit he gave to the Missouri University a beautiful and costly structure for housing the Missouri School of Journalism, the first and undeniably the greatest institution of its kind in the world.

As reported in the Drover's Telegram, Mr. SHANNON said, in part:

Twenty years ago Theodore Roosevelt said, "Opportunity must be preserved for the American youth."

To-day that statement should be amended to say, "Opportunity must be preserved for the American citizen," and the only way that this may be done is for the Government to be driven out of competition with private business, JOSEPH B. SHANNON, Representative in Congress from the fifth congressional district of Missouri, declared in an address yesterday afternoon at a meeting of livestock men in the exchange hall.

"We hear a good many speakers nowadays talking about paternalism in government, and that is all right," Mr. SHANNON said, "but I want to get down to every-day terms and talk about laundries and restaurants. I want to show how the large Government store at Leavenworth, Kans., has entered the retail field and has murdered the private merchants in Leavenworth.

"Opportunity is being taken away from private citizens more and more each day by the encroachment of the Government through bureaus, commissions, and boards. We must clean house in the Government and throw the bureaus out the window. When that is done the private citizen will have the opportunity to which he is entitled. The way to do it is to convince Congress that the Government may be operated without the elaborate system of extravagant bureaus that has been built up. The majority of Congressmen want to do what is right, and it is up to the people of the country to let their sentiments be known."

Mr. SHANNON cited a number of instances where the Government has come into direct competition with private individuals in the operation of restaurants. He said the Government had spent $100,000 on a cafeteria in the new $17,500,000 "temple of folly" at Washington. He referred to the Department of Commerce Building.

Coming closer to home, Mr. SHANNON told of the plan to include an expensive Government-operated restaurant in the new post-office building now being erected in Kansas City, when there are several other restaurants in the union-station district, privately owned and operated, which should have the business, and which have protested against the post-office restaurant. He said he understood the Government contemplated putting restaurants in the post offices of 32 cities in the United States.

SPECIAL ROOMS FOR OFFICERS

"I recently visited the Federal reserve building in Kansas City and found a restaurant on the top floor," Mr. SHANNON said. "There was another large dining space that they told me was for clerks. A smaller room to one side was for the bank officers, and they told me that still another room was being furnished for officials of the new Reconstruction Finance Corporation.

"In Washington they tell us it is the welfare department of the Government that provides all of these services for the Government employees. Through the welfare department the Government has even gone into the bootblack business. But it isn't for the welfare of the employee that it is done, but for the welfare of the fellow that is selling supplies in big lots to the Government.

"Of late there has come to Washington a strong protest from private operators of laundries in the country that Government competition has been ruining their business. There is a striking example of this under the very noses of the Congressmen. The laundry of the families of Army officers in Government offices is picked up by soldiers in trucks operated at Government expense, taken to Fort Myer and cleaned, thus taking the business from private laundries. This is bad enough, but what makes it worse is that the officers are accommodating many of their friends by pitching their dirty clothes in the bag, too. I asked some officials at the capital under what department this was being done and they replied, 'national defense.'"

Mr. SHANNON's attention has been called to the competition of the Government with the retail merchants of Leavenworth when a group of men from that town told him how their business was being ruined. He sent his secretary to Leavenworth to investigate.

He exhibited to the meeting purchases the secretary had made at the Government store. First he showed several packages of cigarettes.

"These were purchased by a citizen of Kansas City and not by an Army officer," he said. "The cigarettes cost 15 cents at the Government store, while the drug store across the street was compelled to charge 17 cents, including the tax levied by the State."

He held up a bottle of perfume, a necklace, a necktie, and a pair of woman's pajamas. What an Army officer would need with these things was more than he could understand, he declared. Furnaces, silverware, and radios could also be bought at the Government store.

IN THE RADIO BUSINESS

"I am told of a recent instance of a citizen of Leavenworth taking a radio from the store of a private dealer for a week's trial," Mr. SHANNON said. "At the end of the week the dealer went to the home to see about it. He was informed that the man liked the radio after the trial, but that he bought one at the Government store for $5 less than the dealer's price."

Mr. SHANNON spoke of the difficulty citizens encountered in gaining a hearing by officials of the Government at Washington.

"The Capital is a long way from the people," he said. "Recently a delegation of Kansas City livestock men were in Washington seeking a hearing before the Agricultural Committee of the House, and they had to wait from Monday until Thursday before they were heard. These men found they had been accompanied from Kansas City by two strangers, and investigation revealed the strangers were representatives of the Farm Board.

"Why were these men shadowing the delegation?" They were afraid of the same thing that every Government bureau employee is afraid of. They were afraid of being dislodged from the Government pay roll."

Mr. SHANNON spoke at the livestock exchange at the invitation of a petition signed by some 300 persons. He delayed his return to Washington for a day in order to accept the invitation. He was introduced by J. C. Swift.

He has submitted to the House a resolution calling for the appointment of a committee of five men to thoroughly investigate the operations of the Government in competition with private business.

EXTENSION OF REMARKS

Mr. RAINEY. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by printing in the RECORD a letter from Hon. Frank Murphy, mayor of the city of Detroit, addressed to the Speaker of the House of Representatives; and also to print in the RECORD a petition which is attached to the letter and which is addressed to the President of the United States, signed by the mayor of the city of Detroit and the mayors of other cities in Michigan, asking for relief and detailing conditions in the State of Michigan.

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

Mr. SNELL. Mr. Speaker, reserving the right to object, if we are going to start putting in letters and communications from various mayors, we should put them all in. I understand this is just a communication from the mayor of the city of Detroit?

Mr. RAINEY. And numerous other mayors, and it is addressed to the President of the United States.

Mr. MICHENER. It is a petition from the mayor of the city of Detroit and a number of other mayors?

Mr. RAINEY. Yes, sir.

Mr. MICHENER. And it is locally confined to the State of Michigan.

Mr. RAINEY. Yes.

Mr. MICHENER. I received a copy of it and I did not offer it because of the rule which the gentleman from Illinois has heretofore insisted upon, that petitions of this kind have no place in the CONGRESSIONAL RECORD. I am wondering why his change of heart?

Mr. RAINEY. This is a petition of importance, and it is official and it is addressed to the President of the United States.

Mr. SNELL. If it is addressed to the President it should be sent to the President and not to us.

Mr. BANKHEAD. Mr. Speaker, regular order.

The SPEAKER. Is there objection?

Mr. STAFFORD. Mr. Speaker, I object.

GUARANTY FUND FOR DEPOSITORS IN BANKS

Mr. BANKHEAD. Mr. Speaker, by direction of the Committee on Rules I call up a privileged resolution, House Resolution 221, and ask for its immediate consideration.

Mr. CONNERY. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. CONNERY. To-day was to be Calendar Wednesday, ordinarily, with the Committee on Labor having the call. I would like to know what our status will be.

The SPEAKER. To-day is not Calendar Wednesday, because by a resolution adopted yesterday it was dispensed with.

Mr. CONNERY. When will we have our Calendar Wednesday?

The SPEAKER. On next Calendar Wednesday. Every Wednesday is Calendar Wednesday.

The Clerk read the resolution, as follows:

Resolved, That immediately upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of H. R. 11362, a bill to amend the national banking act and the Federal reserve act, and to provide a guaranty fund for depositors in banks.

That after general debate, which shall be confined to the bill and shall continue not to exceed four hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Banking and Currency, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the reading of the bill for amendment the committee shall rise and report the same to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and any amendments thereto to final passage without intervening motion except one motion to recommit.

Mr. BANKHEAD. Does the gentleman from Indiana desire any time on the rule?

Mr. PURNELL. I have had no requests for time. I have no disposition to oppose this rule. I do not want to be misunderstood in not opposing the rule. I will be frank and say that I do not know how I shall vote on this bill myself. It is very controversial, and it is a matter of such importance that we feel there should be ample opportunity for discussion.

Mr. BANKHEAD. Mr. Speaker, if there is no desire for time, I move the previous question on the adoption of the rule.

The previous question was ordered.

The resolution was agreed to.

Mr. KELLER. Mr. Speaker, I make the point of order that there is not a quorum present.

The SPEAKER. Evidently a quorum is not present.

Mr. COX. Mr. Speaker, I move a call of the House.

The motion was agreed to.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 86]

Abernethy	Bacon	Bohn	Cannon
Aldrich	Beck	Boylan	Cary
Allgood	Black	Britten	Chapman
Almon	Bland	Campbell, Iowa	Chase
Chiperfield	Hart	McReynolds	Selvig
Cochran, Mo.	Hartley	Maas	Shallenberger
Collier	Haugen	Maloney	Shreve
Connery	Hawley	Martin, Oreg.	Smith, Va.
Connolly	Hill, Ala.	Mitchell	Snow
Cooper, Ohio	Hull, William E.	Montet	Somers, N. Y.
Corning	Igoe	Murphy	Sullivan, Pa.
Dickstein	Johnson, Ill.	Nelson, Wis.	Sumners, Tex.
Douglas, Ariz.	Johnson, S. Dak.	Norton, N. J.	Sutphin
Douglass, Mass.	Johnson, Wash.	O'Connor	Sweeney
Doutrich	Kading	Oliver, N. Y.	Swing
Doxey	Kendall	Owen	Treadway
Drane	Kennedy	Palmisano	Tucker
Fiesinger	Kerr	Patterson	Underhill
Fish	Kleberg	Peavey	Underwood
Flannagan	Kurtz	Pou	Watson
Frear	Lamneck	Pratt, Ruth	Welsh, Pa.
Free	Lanham	Ramseyer	Withrow
Freeman	Lea	Rayburn	Wolfenden
Fulbright	Lehlbach	Reid, Ill.	Wolverton
Gilchrist	Lewis	Sabath	Wood, Ind.
Golder	McClintic, Okla.	Sanders, Tex.	Yon
Goodwin	McDuffie	Schafer	
Hall, Miss.	McLeod	Seiberling	

The SPEAKER. Three hundred and twenty-two Members have answered to their names. A quorum is present.

On motion of Mr. Cox, further proceedings under the call were dispensed with.

Mr. STEAGALL. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill (H. R. 11362) to amend the national banking act and the Federal reserve act, and to provide a guaranty fund for depositors in banks.

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 consideration of the bill H. R. 11362, with Mr. WOODRUM in the chair.

The Clerk read the title of the bill.

Mr. STEAGALL. Mr. Chairman, I ask unanimous consent that the first reading of the bill be dispensed with.

The CHAIRMAN. Is there objection to the request of the gentleman from Alabama?

There was no objection.

Mr. STEAGALL. Mr. Chairman, the first section of the bill provides that the minimum capital for national banks hereafter organized shall be $50,000, and requires that a surplus fund equal to 10 per cent of the capital shall be paid in contemporaneously with the payment of the capital stock. The opinion is so general and the view so widely expressed that this provision is desirable that I shall not discuss it at length. Records show that 60 per cent of failed banks have capital not in excess of $25,000. This does not afford proper protection for creditors and depositors.

The next provision in the bill relieves stockholders in national banks from liability to assessment upon their capital stock. It has been found in practice that only 5 per cent of deposits is realized out of collections against stockholders through assessments of liability upon capital subscribed, and only 16 per cent of the realizations upon assets of insolvent banks are received out of the assessment liability against the stockholders.

The effect of the existing provision of law is to give stockholders who are on the inside, so to speak, an opportunity to avoid their liability by disposing of their stock when they find trouble about to overtake a banking institution, and leaves at a disadvantage the investor on the outside, the citizen of the community who is carrying stock in his local bank as a matter of community pride and community service as well as for any return he expects on his stock.

Instances are not infrequently found of stockholders who leave their estates carrying investments in the capital stock of banks, and the heirs, assuming they have a valid asset in such holdings, allow the matter to drift. Finally the bank gets in trouble, there is failure, and the widow or the children find that instead of having inherited an asset, they have inherited a liability and often a lawsuit which works great hardship and injustice. So long as this provision remains in the law, the public is not going to invest money in bank stock.

The enlarged requirements for capital stock is a direct method of affording the protection which double liability is designed to afford but which in practice has failed to afford depositors and creditors of banks.

Another provision of the bill requires Federal reserve banks to give immediate credit for checks drawn against them by their member banks. Under the present rules checks drawn by member banks against Federal reserve banks are not paid, but payment upon them is deferred for the time required for the checks to be cashed, or the time which the Federal reserve bank estimates is required for the collection of checks. It is a cumbersome, unworkable, inconvenient plan, and results in hardship to member banks, and especially smaller banks in marketing periods of the year when demands for cash and balances are accentuated and when it is difficult to finance the marketing of crops.

Another provision of the bill prevents any member bank of the Federal reserve system from paying more than 4 per cent on deposits. That is an arbitrary figure. I am not prepared to say no other figure would answer as well, but certain it is if other provisions of the bill are to be enacted into law we should have a maximum limitation on the interest to be paid on deposits. In the absence of such a limitation a weak bank, or a poorly managed bank, would have an advantage over the sound institution or the one that is prudently and conservatively managed. So, unquestionably there should be some limitation upon the interest rate to be paid.

Another provision prevents a member bank from paying any dividend on its stock until the surplus equals 25 per cent of the stock and then allows 6 per cent in dividends to be paid so long as the surplus remains above 25 per cent and under 50 per cent.

When the surplus exceeds 50 per cent, a bank is permitted to pay 8 per cent in dividends, but no more than that until the surplus reaches 100 per cent. When the surplus reaches 100 per cent of the capital stock, permission is given to pay whatever dividend is deemed proper and desirable, so long as it does not reduce the surplus below 100 per cent of capital stock.

Under the present law Federal reserve banks either place to their surplus account or pay into the Treasury of the United States in lieu of a franchise tax the earnings that accrue, after first having paid a return of 6 per cent to member banks, based on the capital which member banks hold in Federal reserve banks.

The bill before us provides that after paying the returns to member banks fixed in the law and setting aside an annual surplus of 10 per cent, Federal reserve banks shall distribute to their member banks half the earnings that accrue, to be prorated upon the basis of stock held in Federal reserve banks by member banks, and that the other half of the net earnings shall be paid into a fund known as a guaranty fund for the protection of depositors in banks that are permitted under the bill to share in the guaranty fund provided.

Let me say in connection with the provision regarding the distribution of earnings of Federal reserve banks that a great hardship has resulted upon the smaller banks that are members of the Federal reserve system in not being permitted to share in the earnings of the system. The Federal reserve banks make their money out of their member banks. The member banks are required to subscribe for capital stock in Federal reserve banks, each member bank subscribing an amount equal to 6 per cent of its own capital. Upon that an arbitrary return of 6 per cent is paid and no more. The member banks are required to maintain balances amounting to 7 per cent on regular deposits and 3 per cent on time deposits with Federal reserve banks, and upon those deposits member banks do not get one dollar of return.

Prior to the passage of the Federal reserve act the smaller banks of the country maintained their balances with large banks in the cities with whom they carried their accounts and received an interest return upon those balances amounting usually to 2 per cent or 3 per cent. In addition to this, member banks were permitted to charge for the service rendered by them in collecting and remitting checks.

That privilege has been taken away. This was done by overriding the expressed will of Congress. The history of this would be interesting but not pertinent to this legislation, because there is no provision in this bill that would change existing conditions and practices.

I have pointed out these instances of hardship affecting the smaller banks of the country in order that you may see the desirability of permitting member banks in the Federal reserve system to share in the earnings of Federal reserve banks. Part of the earnings of these banks has been paid into the Treasury in lieu of a franchise tax, but Federal reserve banks do not owe the Government any franchise tax. They render more service to the Government than they receive compensation for. The provision for paying a part of net earnings into the Treasury of the United States was simply an automatic method devised when the Federal reserve law was passed by which to absorb any possible earnings that might accrue. It was never expected that Federal reserve banks would accumulate any large earnings. They were not designed to become money-making institutions, but the fact is, notwithstanding enormous expenditures in salaries—and I think I shall not be considered unjustly critical when I say unjustified and extravagant expenditures incurred in the erection of costly buildings—the Federal reserve banks have made in round figures $526,000,000 net profits. That fund has either been paid into the Treasury of the United States—and something in the neighborhood of $150,000,000 has been paid into the Treasury of the United States in lieu of a franchise tax—or it has gone into surplus accumulations of the Federal reserve banks.

It is not unfair to say that while these enormous earnings were being accumulated out of member banks of the Federal reserve system hundreds and hundreds of those member banks were choked down. They were prevented from earning sufficient profits to enable them to carry on, and a large part of the difficulties that have overtaken banks that are members of the Federal reserve system has grown out of the exactions and discriminations against them either as written into the Federal reserve law itself or resulting from the administration of the Federal reserve system.

Mr. PATMAN. Will the gentleman yield?

Mr. STEAGALL. I yield.

Mr. PATMAN. Does the gentleman suggest that the Government should not receive compensation for the use of its credit—that is, the credit extended by the Government to the Federal reserve banks? The gentleman will recall that in one section—I believe it is section 16—it is provided that when Federal reserve notes are issued the Federal reserve banks shall pay such interest as may be assessed by the Federal Reserve Board, which clearly, to my mind, shows the intent in the original act that the Government should receive compensation for the use of its credit.

Mr. COX. May I supplement the gentleman's question?

Mr. STEAGALL. Certainly.

Mr. COX. In other words, the Federal reserve system was an agency set up to serve the entire country. The gentleman proposes by this bill, as I take it, to dedicate it and its activities to the benefit of the national banks of the country and to the national banks alone.

Mr. GOLDSBOROUGH. Will the gentleman yield?

Mr. STEAGALL. I yield to the gentleman from Maryland.

Mr. GOLDSBOROUGH. As I understand it, it is the purpose of the committee to offer an amendment at the proper time which will equalize the initial fee of the State banks and the national banks, is it not?

Mr. STEAGALL. Yes. I will say to the gentleman that that question will more properly arise when we reach that provision of the bill under the 5-minute rule for consideration of amendments. I want to say to the gentleman from Texas that the provision to which he refers has never been used, as far as I am informed. I hope the gentleman will

not allow me to spend too much time on a mere detail of this bill. I have great respect for the gentleman's judgment, and I appreciate his interest, but I want to get along to the things that are really controversial in this bill.

Mr. PATMAN. It is not a mere detail. It is using the Government's credit, and the question is whether it should be paid for.

Mr. STEAGALL. I may say there were two schools of thought in connection with the writing of the Federal reserve law. One was to permit the banks to issue the currency. There was another school of thought that held it was the function of the Federal Government to coin money and regulate its value, and that the Government should not surrender to the banks this sovereign right and duty. It was out of this contention that the provision went into the Federal reserve law that required the Government to stand back of notes issued by Federal reserve banks. The bill does not change the practice that obtains and has obtained since the enactment of the Federal reserve act.

Now, in reply to the gentleman from Georgia [Mr. Cox], I hope the gentleman will do me the courtesy to read the bill——

Mr. COX. Let me say to the gentleman I have read the bill.

Mr. STEAGALL. The gentleman is in error and I assumed the gentleman had only read the first bill which I introduced and which did limit the provision for protection of deposits to member banks of the Federal reserve system. A second bill, the one now before us, does include State banks in the plan for the protection of depositors.

Mr. COX. As the gentleman happens to know, I have read the bill and I recall its provisions. I know it was not the intention of the gentleman's committee to destroy the State banking system of the country; but if it had been the express design of the legislation to bring about that result, the gentleman could not have done more than is promised by the legislation that is now proposed.

Mr. STEAGALL. Will the gentleman now permit me to answer his question?

Mr. COX. Of course.

Mr. STEAGALL. I want to say to the gentleman that I assumed he might not have read the last bill. The bill now before us provides for a guaranty fund for depositors, not only in national banks, but depositors in State banks as well, and it was to that fact I desired to call the gentleman's attention. We are not attempting to limit the application of these funds for the protection of depositors in national banks or to member banks of the Federal reserve system.

Mr. COX. Will the gentleman allow me to state that the bill I have read is the bill for which consideration was provided by a rule from the Rules Committee?

Mr. STEAGALL. I thought, perhaps, the gentleman had confused the two bills.

Mr. COX. No; I have not confused the two bills. Will the gentleman permit me to ask him a further question?

Mr. STEAGALL. Certainly.

Mr. COX. In section 202 you simply provide insurance to depositors at the expense of the Government, provided you concede that the Federal Reserve Board is a Government agency and that its earnings belong to the Government.

Mr. McCORMACK. Will the gentleman yield?

Mr. STEAGALL. Let me answer the gentleman from Georgia a little farther. I want to say to the gentleman again that every dollar of stock in the Federal reserve banks and every dollar of deposits in the Federal reserve banks comes out of their member banks, just such banks as make up the banks of his community and of mine, and their earnings come out of operations with these banks, out of their capital stock, and out of rediscounts with those banks, except such as they may make in open-market operations which they are permitted to conduct under the Federal reserve law. This is how they get their money. There is not a man whom the gentleman can offer as an authority on Federal reserve legislation who will stand up and say in this House that the earnings of the Federal reserve banks ought to go into the Treasury of the United States. I will say to the gentleman that in another body there is a gentleman for whom we have great respect and for whose ability we have the deepest admiration who is not in sympathy with the main provision of this bill, but that gentleman stated on the floor of the Senate during recent discussions that in good morals and in fairness not one dollar of the earnings of the Federal reserve system ought ever to have gone into the Treasury of the United States.

Mr. COX. Will not the gentleman permit me to ask if the member banks have not gotten value received for every dollar they have paid into the Federal reserve system?

Mr. STEAGALL. I may say to the gentleman that one reason banks have closed their doors in his district and in mine is because under the operation of the Federal reserve law they are no longer permitted to charge for the service they render in remitting checks to the large banks and wholesale houses in cities, for which service they used to earn thousands of dollars a year. Any banker in your district will support my contention.

Mr. COX. The gentleman is not contending that the loss of that revenue——

Mr. STEAGALL (continuing). And they are not getting above 6 per cent return on their stock in the Federal reserve banks, though in normal times they make much more than that, and they are not getting a dollar of return on the deposits which they carry in Federal reserve banks, and upon which, until the passage of the Federal reserve law, they were accustomed to collect from 2 to 3 per cent throughout the year.

Mr. COX. The gentleman, of course, is not seriously contending that the loss of revenue of the national banks that are members of the Federal reserve system, by reason of not being able to collect exchange for remittances on checks, is responsible for the bad condition of banking throughout the country.

Mr. STEAGALL. There are a lot of things that enter into the calculation when we go to cast up the whole account to ascertain all the difficulties in the banking world. There are a lot of things that enter into that. I am only pointing out some of the things that have played a part in bringing us into the trouble we are in now, and these things to which I have referred have played a big part——

Mr. STEVENSON. Will the gentleman yield for a suggestion?

Mr. STEAGALL. I yield with pleasure.

Mr. STEVENSON. The gentleman will recall the statement of the president of a bankers' association who appeared before us against this bill, who stated that the deprivation of the right to collect this exchange had deprived the banks, on the average, of a 6 per cent dividend, which in 15 years amounts to 90 per cent.

Mr. STEAGALL. They all agreed that the average bank, such as we have in your community and in mine, was accustomed to making, out of their charges for the services which they rendered in remitting checks to big banks and the wholesale houses, enough annually to constitute a fair return on their capital stock. The Congress voted on this proposition, and both Houses voted for an amendment to the Federal reserve law specifically denying the right to Federal reserve banks to prevent member banks from making reasonable charges for this service. The Federal reserve banks finally succeeded in requiring member banks to render this service for nothing. It has a lot to do with breaking down the independent banks of the country.

Mr. COX. Reverting to the statement of the gentleman from South Carolina [Mr. STEVENSON], does it not mean that so far as the national banks are concerned the Federal reserve system has been a curse rather than a benefit?

Mr. STEAGALL. I am not cursing anybody or any system. I am using a lot of time that I did not intend to use, because I want to discuss the main provisions of this bill.

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

Mr. STEAGALL. Yes.

Mr. McCORMACK. I note on page 11 that there shall be paid into such fund by the Treasury an amount equal to the entire sum heretofore paid to the United States as franchise tax by the Federal reserve banks.

Mr. STEAGALL. I am coming to that. This brings me to a consideration of the main provision of this bill, the provision for protection of deposits. Let me explain that provision. The bill creates a liquidating board to consist of the Secretary of the Treasury, the Comptroller of the Currency, and three members to be appointed by the President who shall administer a fund for protection of deposits. The bill provides a guaranty fund in the following manner: First, we take out of the Treasury $150,000,000, which is substantially the amount that has been paid into the Treasury in lieu of a franchise tax by the Federal reserve banks.

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

Mr. STEAGALL. If the gentleman will permit me to finish——

Mr. HARE. I gather from the gentleman's statement that a fund went into the Treasury that was not legally entitled to go there, and I assume that the gentleman is going upon the assumption that this $150,000,000 should have gone to the original member banks of the Federal reserve system and is now held in trust by the Treasury Department for their benefit, and the gentleman seeks to use it as a part of a fund to guarantee deposits?

Mr. STEAGALL. The gentleman is a little in error. The fund was not paid into the Treasury illegally. The law provided that method of absorbing the earnings of the Federal reserve banks. It is not being held for member banks, but it has been paid into the Treasury. I will say there is no disagreement among men whose opinion the gentleman would accept that that fund does not of right belong in the Treasury of the United States. If the gentleman will read the debates in the Senate on the subject, he will find that I am amply borne out in the statement that I made, by the contention of Members who are regarded as highly informed, and as to this all of them are in agreement.

Mr. HARE. I want to clarify my statement. If I used the word "illegally," I did it inadvisedly, because I know that the law provides that it should go there; but, as I understood the gentleman, while it went there under the law, yet in obedience to good conscience and equity it really did not belong there but belongs really to the member banks of the Federal reserve system.

Mr. STEAGALL. Absolutely; and the provision for payment into the Treasury was put in the law purely as an automatic method of absorbing the earnings, if there should be any, though it was not expected there would be.

Mr. BLANTON. But I understood the gentleman to say that it did belong in the Treasury, where the Congress provided it should go.

Mr. STEAGALL. Has the gentleman heard my statement?

Mr. BLANTON. I have been listening to it all the time, and that is the meaning that I drew from it.

Mr. STEAGALL. I said it was paid into the Treasury legally but not rightfully.

Mr. BLANTON. And if by the passage of the gentleman's bill he can guarantee all deposits of our constituents all over the land, he will do more to restore confidence over the country than anything else that we have done in this Congress.

Mr. STEAGALL. That is what we are trying to do.

Mr. FITZPATRICK. I suggest that the gentleman be permitted to explain the bill.

Mr. STEAGALL. Just one moment. Let me answer the gentleman from South Carolina [Mr. HARE]. Not only is it true that there is no disagreement that these funds in good conscience belong to the member banks of the Federal reserve system and to their depositors, but the administration is now committed to the passage of a bill that is now pending in the Senate, receiving support on both sides of that body, which provides that funds may be loaned depositors in banks that are closed and that the funds to be loaned shall be made up in part of the fund that has been paid into the Treasury of the United States by the Federal reserve banks; and they do not stop in that bill at a provision for the payment of those funds back to depositors in member banks of the Federal reserve system, out of whom the profits were made, but that bill provides for the loaning of funds to depositors in State banks for the purpose of releasing frozen deposits and in trying to afford relief to communities that have suffered the horrors of bank failures. In passing, I will say that that bill ought to be enacted into law before this Congress adjourns.

It is not my bill; I did not originate it. I am not its author, but it is one of the suggestions of the President of the United States and ought to be enacted into law before Congress adjourns. I do not know why it is not being put forward.

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

Mr. STEAGALL. In a moment. Not only that, but the bill to which I refer, which has the approval of the administration and the sanction of the Comptroller of the Currency and the approval of Members on both sides of the Senate, has in it also a provision for taking part of the surplus funds of Federal reserve banks that were accumulated out of member banks and that those funds shall be used not only for the relief of depositors in closed banks in the Federal reserve system, but it provides for the use of those funds for the relief of depositors in State banks. The bill also provides for taking funds out of the Treasury for the same purposes. Is not that so, Mr. McFADDEN?

Mr. McFADDEN. Yes.

Mr. CELLER. As to the $150,000,000 which is originally paid as a Federal reserve bank franchise tax, that money has been dissipated and paid out of the Treasury, so that if the Treasury must pay that back into this fund, the taxpayers of the Nation would have to defray the expense of the $150,000,000. Am I not right in that conclusion?

Mr. STEAGALL. The gentleman is correct, unless the bill should provide, as could very easily be done, for reimbursement to the Treasury of that fund. I do not think the Treasury should be reimbursed. I do not think they should ever have taken one dollar of the earnings of these banks. I say that one of the reasons that depositors in your district can not get their money back out of member banks in which they deposited it is because those funds have been paid into the Treasury of the United States and into the surplus funds of the Federal reserve banks. These earnings should have been shared with member banks. It is generally admitted now that that should be done.

Mr. SUMMERS of Washington. Will the gentleman yield?

Mr. STEAGALL. I yield.

Mr. SUMMERS of Washington. Would it not be agreeable for the gentleman to proceed without interruption, because many of us have connected statements to make?

Mr. STEAGALL. Yes. I must finish. There are other Members who want to discuss this bill and I must conclude.

Now, that is how we obtain the initial fund of substantially $300,000,000. We get $150,000,000 out of the surplus fund of the Federal reserve banks. We get $150,000,000 out of the United States Treasury that was paid in in lieu of a franchise tax. Then the bill provides for the assessment of $100,000,000 against member banks of the Federal reserve system, to be prorated on the basis of average deposits, and that State banks may be permitted to apply for the benefits of the guaranty fund and be admitted upon the payment of a double assessment of the amount assessed against member banks.

The deposits in national banks and State banks last June were $56,000,000,000. They declined. In the member banks there is something like $21,000,000,000, and there is $30,000,000,000 in nonmember banks—about one and one-half times the deposits in State banks that are in the national banks and member banks.

That last provision should certainly raise at least another $100,000,000, which would give something around $500,000,000 initial guaranty fund.

Then there is a provision that the board may borrow from the Reconstruction Finance Corporation and pledge its future accretions to its guaranty fund for the repayment to the Reconstruction Finance Corporation, which would provide a potential fund of more than $1,000,000,000.

Then there is a provision for levying annually $100,000,000 against member banks of the Federal reserve system and assessing State banks annually the same as member banks, to keep up their annual assessments, which should constitute another $100,000,000.

The bill provides that the assessments against the Federal reserve banks, assessments against member banks, and assessments against State banks shall only be called for when and as needed, and as against the banks it shall be collected in installments of 25 per cent. Any funds above $500,000,000 may be deposited with contributing banks as deposits without interest.

The bill provides that when a bank is insolvent or closed, the board appoints a member, the stockholders a member, and the depositors a member of a committee, who shall assess and determine the value of the assets of the bank. Ninety days is allowed under the bill within which to do that. At the end of 90 days the board is required to pay not less than 50 per cent of all deposits that do not exceed $1,000, and 25 per cent on all deposits that exceed $1,000; six months later they are required to pay not less than 50 per cent additional to depositors whose deposits are not above $1,000, and 25 per cent to other depositors; six months later they are required to pay not less than 25 per cent to all depositors, and six months later to pay all depositors in full. That gives 21 months within which to meet the requirements. Of course, it is not contemplated that that time would be used. In any ordinary bank failure that would occur the board would take over the bank, appraise its assets, and tell people to come and get their deposits. That would not happen many times until bank failures would be ended in that community.

But if a large bank were to fail there would not be any shock to the guaranty plan. In 90 days the board would take the cash and liquid assets of the bank and pay the first installment. Six months later the board would have collected from the assets of the bank enough to meet another installment, and certainly not before the time for the third payment would there be any need to make draft upon the guaranty fund, so that there would not be any substantial demand in case of a big bank failure against the guaranty fund until 21 months from the time the bank closed. During that time there would be the initial fund of $1,000,000,000, and $200,000,000 more that could be assessed against the banks that enter into the plan.

The records show that from the foundation of the national banking law in 1863, down to 1930, the total losses of all deposits in national banks and in member banks of the Federal reserve system amounted to only $82,000,000. That was the testimony of the Comptroller of the Currency and it is in the record of hearings before the Committee on Banking and Currency of the House.

I have the figures here, but I shall not take the time to read them. The records show that for the 11-year period, 1921 to 1931, inclusive, the total deposits involved in all bank failures—State and National, member banks and nonmember banks—amounted to only $1,200,000,000 in round figures. Net losses to depositors could never amount to more than one-fourth or one-third of deposits.

So this bill would provide a fund sufficient within the first year of operation to enable it, without being required to borrow a dollar from the Reconstruction Finance Corporation and without having to assess a dollar against member banks or nonmember banks, to pay all losses that have accrued to depositors in all the banks of this country during the 11-year period from 1921 to 1931, inclusive, and still have nearly $1,000,000,000 available to meet future contingencies. That is the kind of fund we have. It is ample to meet all demands. That would avoid the difficulties encountered in States that attempted to set up systems for the protection of deposits. Those attempts were unsuccessful because the unit was too small; the banks were dependent upon 1-crop farming and the risks were too concentrated. Charters were granted banks indiscriminately; supervision had not been developed to proper standards. These failures, of course, constitute no valid argument against a plan for the banks of the entire Nation.

During 11 years deposits involved in all closed banks were $1,200,000,000. I do not refer to losses but to deposits during those 11 years. The records show that we do not collect less than 25 per cent to 33⅓ per cent out of the assets of banks that are closed. For nearly three-quarters of a century net losses were only little over $1,000,000 annually.

Mr. MAY. Mr. Chairman, will the gentleman yield for a question?

Mr. STEAGALL. I shall be pleased to yield.

Mr. MAY. That figure includes more than 2,000 bank failures that have occurred recently up to the end of 1931.

Mr. STEAGALL. I have not looked at the figures for the moment.

Mr. MAY. It is something over 2,300.

Mr. STEAGALL. The figures are substantially correct.

Mr. MAY. I was going to suggest the exact figures are given in one of the speeches of the gentleman from Alabama.

Mr. STEAGALL. I have them all here.

Mr. MAY. The figure was given in the gentleman's argument on the Glass-Steagall bill in presenting that bill to the House, and the figure stated was 2,394 banks.

Mr. STEAGALL. The gentleman is substantially correct, and I thank the gentleman for giving the figures. There is so much of this I am forced to desist from going into detail, as much as I should like to do.

Mr. ANDREW of Massachusetts. Mr. Chairman, will the gentleman yield for a question?

Mr. STEAGALL. Yes.

Mr. ANDREW of Massachusetts. Is it the gentleman's idea in this way to make the deposits in the poorly managed banks as safe as those in the well-managed banks?

Mr. STEAGALL. Does the gentleman think the Congress of the United States should confess to the world that it is going to be content to allow banks to operate in which citizens can not safely deposit their money?

Mr. ANDREW of Massachusetts. I asked the gentleman a definite question.

Mr. STEAGALL. I am asking the gentleman from Massachusetts a question, too. I am going to answer his question, but I would like for him to answer my question.

Mr. ANDREW of Massachusetts. I would like to ask one further question.

Mr. STEAGALL. Let me answer the one the gentleman has just asked.

Mr. ANDREW of Massachusetts. Very well.

Mr. STEAGALL. I want to answer the gentleman. I take pleasure in answering him.

Of course this bill will not stop all bank failures. No legislation is going to stop all bank failures. It is not going to stop all our troubles in the economic world. I am not offering it for that purpose. But in answer to the gentleman I will say that the bill does provide for a more stringent supervision of banks.

There is a provision in the bill which authorizes the Comptroller of the Currency, when he finds that an official of a bank for any cause is not serving that bank in a way that is safe for depositors and creditors of the bank, to cite such an official to appear before the liquidating board, giving him the right to appear with counsel; and if the board decides his continued connection with the bank as an official is not promotive of the best interest and safe management of the bank, the board is authorized to require the removal of such an official.

Does that answer the gentleman's question?

Mr. ANDREW of Massachusetts. Has the gentleman not also in this bill taken away one of the safeguards that now exists in the national-banking system, supposing the bill were adopted; is not the double liability of stockholders

taken away, thus the doing away with their additional responsibility in supervising the management of the bank?

Mr. STEAGALL. Did not the gentleman hear what I said about double liability?

Mr. ANDREW of Massachusetts. I heard what the gentleman said.

Mr. STEAGALL. I regard the double-liability feature as an immaterial matter compared to the essential part of the bill, but I will repeat that the double liability has proven to be a deception to the public rather than a protection of the deposits intrusted to banks where the double liability laws obtain. A widow or minor who inherits bank stock finds the bank stock has subjected her to a suit in court for the amount which the bank stock purports to convey as an asset.

Mr. ANDREW of Massachusetts. Also, if the gentleman will permit——

Mr. STEAGALL. Wait a minute; I have not finished answering the gentleman yet about poorly managed banks.

Mr. ANDREW of Massachusetts. That is what I want.

Mr. STEAGALL. Where does the gentleman think the poorly managed banks are, may I ask him?

Mr. ANDREW of Massachusetts. I am not answering questions.

Mr. STEAGALL. The gentleman seemed to have a definite idea about poorly managed banks. I just wanted to see what the gentleman's thought was in order that I might be in position to address myself to his question intelligently.

Mr. ANDREW of Massachusetts. If the gentleman will permit, I may develop it a little further. If this bill makes no distinction in the safety of deposits in the poorly managed bank as compared with those in the well-managed bank, what incentive is there for any man to deal with a carefully managed, prudently managed, wisely managed, honestly managed bank if his funds will be just as safe deposited in a poorly managed, imprudently managed, badly managed bank?

Mr. STEAGALL. Does the gentleman think the public takes no more interest in it than that?

Mr. ANDREW of Massachusetts. It strikes me this is a very important thing if the bill serves to encourage poor banking.

Mr. STEAGALL. I have just explained to the gentleman that, on the contrary, we provide a more stringent method of supervision. I ask the gentleman, if the outstanding men of intelligence and ability in the banking world are compelled to enter into a system, having regard for the welfare of the commerce and industry of the whole people, as we required them to do when we forced them to join the Federal reserve system—if we bring them into this plan, does the gentleman think that their liability to the depositors of this country would not result in some effort on their part to improve banking methods and banking conditions throughout the United States? I am sure the gentleman would not say that such a thing would not result.

Now, let me say this to the gentleman: This bill is founded upon the most universally accepted and established principle known in the economic life of the world to-day, the principle of insurance. That is what it is founded upon. Every time you pay a premium on your life insurance you are made to contribute to the widow of a man who was killed in the San Francisco earthquake or who died during the yellow-fever epidemic in New Orleans. Every time you pay a premium on fire insurance on your home you contribute to the payment made by the fire-insurance company to the scoundrel who burns his home next week if he has obtained insurance on his home.

Mr. ANDREW of Massachusetts. I would like to ask the gentleman if the life-insurance companies and fire-insurance companies to which he has referred are Government companies or private companies?

Mr. STEAGALL. I have told the gentleman that we apply to this bill a principle that is accepted by the economists and business men everywhere throughout the civilized world. You talk about bank officials. They will not let a man be an officer in a bank unless he gives a bond through an insurance company that he will honestly and prudently conduct the business of the bank. You make him give a bond that he will not steal the funds of the bank. Does the gentleman contend that the requirement that a man give a bond against theft makes him steal more than was stolen before?

Mr. ANDREW of Massachusetts. But the gentleman is not speaking about private insurance when he is discussing his bill.

Mr. STEAGALL. I am talking about the principle of insurance that is applied everywhere. You apply it to your automobile, and gentlemen out West apply it against storms. You insure yourself against your own carelessness and negligence, and the banks themselves will not loan a citizen a dollar on his home until he goes and insures it against fire. You would not loan a citizen the money with which to erect a Chic Sale structure down on a branch without requiring insurance against fire! That principle is universally applied. The Government will not risk a deposit in any bank without insurance. So it is with States and counties and all public funds. They all require insurance. Banks never fail to demand insurance on loans to other banks. Everybody is protected except the public. Their business is to furnish the money!

Mr. GARBER. Will the gentleman yield?

Mr. STEAGALL. I yield.

Mr. GARBER. The information which a great many Members desire is in reference to the restrictions made in section 208. If the State banks are not permitted to come in under the guaranty provision, it will put the State banks out of business.

Mr. STEAGALL. The bill permits State banks to participate in the plan and it is agreed by members of the committee that we shall liberalize that provision. There will be no trouble between the gentleman and myself about that.

Mr. GARBER. This limits State banks to a capital of $25,000. There are many State banks with capital of less than that amount. I would also like to ask the gentleman if he believes the State banks throughout the country would be able to pass the strict supervision and examination required.

Mr. STEAGALL. I know what the gentleman has in his mind. I will say to the gentleman that when I first introduced the bill I thought the plan for protection of deposits should be applicable to national banks and member banks of the Federal reserve system, but when I began to study the proposition I found I had been misled as to the losses that have accrued to depositors in State banks. Then I amended the bill so as to let in State banks. When we get to that provision of the bill under the 5-minute rule I shall be glad to join the gentleman still further in any provision that will liberalize the law with reference to the admission of State banks in a way that I am confident will meet his approval. Now, let me make this statement——

The CHAIRMAN. The gentleman from Alabama has consumed one hour.

Mr. STAFFORD. Mr. Chairman, I ask unanimous consent that the gentleman may use as much time as he desires of the time at his command.

The CHAIRMAN. Without objection, it is so ordered.

There was no objection.

Mr. STEAGALL. I made a study of the question and I found that the total amount of deposits in nonmember banks that closed during the 11-year period from 1921 to 1931, inclusive, is less than the total deposits in member banks that failed during that time. It was a surprise to me. That is true notwithstanding the fact that State banks, nonmember banks, carry deposits equal to one and one-half times the deposits that are carried by member banks of the Federal reserve system. That is why I assure the gentleman I shall be glad to join in liberalizing the provisions of this bill with respect to the admission of State banks into the system for protection of deposits, because it will be greatly to the advantage of the system to have those banks in with their larger deposits and smaller losses to absorb the burden and contribute to the accumulation of the guaranty fund.

Mr. SCHNEIDER. Has the gentleman such an amendment to offer?

Mr. STEAGALL. We will offer it at the proper time.

Mr. SCHNEIDER. Will the gentleman print the amendment in the RECORD?

Mr. STEAGALL. I do not have it ready, but there will be no difference between us on that point.

Mr. EATON of Colorado. Has the gentleman at his tongue's end the amount of deposits in these banks that failed, the member and nonmember banks?

Mr. STEAGALL. During that time from 1921 to 1931, inclusive?

Mr. EATON of Colorado. Yes.

Mr. STEAGALL. The gentleman is now asking me to go into details, which I did not want to do, but it was $957,000,000 in nonmember banks, and $733,000,000 in member banks. However, $119,000,000 were involved in deposits in member banks that reopened and $344,000,000 were involved in nonmembers banks that reopened. So that there were in member banks liquidated $614,000,000 deposits, and in nonmember banks liquidated $613,000,000—and this, notwithstanding nonmember banks had about one and one-half times the amount of deposits that member banks had. This is all shown by Federal reserve bulletin of April, 1932. So that we find the amount of deposits in State banks that failed is less than the amount of deposits in member banks.

Mr. PARSONS. Will the gentleman yield for a brief question?

Mr. STEAGALL. I must get through. I regret I can not yield, but I must save time for other Members, and I hope the gentleman will later have an opportunity to express himself on this bill.

I simply can not cover all these matters as I should like to, but before I conclude let me say that loss of confidence is the worst factor in the distress that has come upon our country. Very little money is used in commerce. Ninety per cent of business in this country is done with bank credit and checks. We are concerned that our currency shall be solvent and its integrity preserved. Why are we not concerned with banks with which nearly all business is conducted? The integrity and solvency of checks on banks is indispensable to business, order, and prosperity. There are only five and a half billion dollars of what we call money in this country, and only $1,000,000,000 of that in cash in the banks of the country with which to support $50,000,000,000 of deposits. The other four billion dollars or four and a half billion dollars is out among the people, and it is agreed that at least one and a half billion dollars or two billion dollars of cash money that ought to be in the banks and employed to support credit and commerce and industry and agriculture is in hiding under mattresses, in tin boxes, in stockings, and buried under the homes of citizens who are afraid to trust their money on deposit in the banks of the Nation, for whose regulation and safe supervision and management you and I are responsible to the people of this country.

This is the situation in which we find ourselves. It is undermining our prosperity, lowering the price of commodities, and bringing distress to the treasuries of the Nation and of the States. It is disastrous to commerce. It has crippled industry and crushed agriculture. This state of fear is not limited to the public, to farmers, merchants, manufacturers, or other classes of citizens. Bankers are afraid. They live in constant fear of a withdrawal of their deposits.

So they have now in the neighborhood of $10,000,000,000 of assets that are liquid and entitled to rediscount at the Federal reserve banks and these funds are idle and unemployed while business is paralyzed, causing distress, suffering, sorrow, even death among the citizenship of the Nation. The situation is unworthy of this great Republic, the clearing house of the world, this Republic, to which the world looks for leadership. You and I owe a duty to the people of this great commercial commonwealth and to the world.

We can not have a general revival of business, we can not have a complete recovery from the conditions under which we suffer, until normal banking is resumed in the United States, and it is not going to be resumed until the public who furnish the money with which the banks do their business, take their money out of hiding and put it back in the banks, in order that it may supply the basis for an enlargement of deposits, an expansion of credits, an increase in values. This would enable debtors to pay their debts, and increase incomes for the support of the Government. It would restore a normal return from tax payers and put an end to the difficulty experienced in the effort to balance the National Budget. Every interest cries to us for relief from existing conditions.

The citizenship of the country desires and demands this legislation. They know where their interest lies and they understand that the purpose of the legislation is to afford them protection sorely needed and long denied. If Members do not believe this, I invite them to call at the rooms of the Banking and Currency Committee and let me show them my correspondence. I say to you frankly that in all my long service as a Member of this House I have never seen such universal support of any bill offered in Congress, and it is spontaneous and uninspired. It represents a voluntary appeal, born of suffering and distress, and it comes from all classes. I conscientiously believe that it represents the best thought of bankers themselves.

I know the campaign that is being carried on by a few big bankers against this measure. I know the methods they have employed. I expect to say more about this before consideration of this bill is concluded. I have the record to show that a few big bankers in Georgia came here to oppose this legislation and went back home urging bankers not to send telegrams or write letters but to have bankers call on Representatives in person to urge defeat of this measure. The big bankers clamored for legislation giving them access to $2,000,000,000 of Treasury money to relieve them from results of their follies and mismanagement. We passed the legislation to save the Nation from threatened disaster. The only justification for it that can be offered has been the service rendered in preventing bank failures. Members who voted for that legislation voted for guaranty of bank deposits and out of funds to be supplied wholly by the Treasury of the United States or for which the Treasury of the United States is made responsible. That guaranty plan involves directly the Treasury of the United States.

Bankers who insisted upon that legislation and are enjoying its benefits are now lobbying against this bill which provides a sound method of deposit protection, placing the burden upon the banks of the country where it belongs. It is a measure which, had it been enacted earlier would have saved Congress from the necessity for passing legislation to save the banks at the expense of the Nation's Treasury. These same bankers are now lobbying against the bill now before this House. Members who desire may follow them. I will not. For one, I am going to meet my responsibility to the people of the Nation by giving support to the passage of this legislation that will at least contribute to the recovery of business and the return of prosperity throughout the United States. [Applause.]

Mr. McFADDEN. Mr. Chairman, I yield three minutes to the gentleman from Illinois [Mr. WILLIAM E. HULL].

Mr. WILLIAM E. HULL. Mr. Chairman, my opposition to this bill is chiefly directed to the provision that seeks to guarantee bank deposits.

I do not believe that this is a practical proposition. The idea has been tried out in several different States and, so far as my knowledge goes, has always proven to be a disastrous failure. We have just passed through what is perhaps the most critical period that our banking system has ever encountered. Banks in large numbers have failed throughout the country, big banks as well as little banks have failed, and in most every instance these failures have been the result of bad management, or at least due to the lack of conservative banking methods.

After the war the banking industry was expanded by leaps and bounds. Many banks were organized where there was no need of these additional banking facilities, and these

banks failed because there was not business enough to keep the bank alive, especially when the depression came. But these conditions may never occur again, and I do not believe that the Congress should, in a moment of hysteria, pass banking laws, revolutionary in character, that will have a tendency to upset the well-established banking system throughout the Nation.

Up until the war it was an almost unheard-of thing for a bank to fail, and I predict that as soon as a readjustment in the banking system has been made, banking conditions will be as safe as they ever have been in this Nation, and it is much better to have this accomplished in the natural way than to have it forced by unnatural laws.

When you guarantee bank deposits by law, you immediately penalize the honest and conservative banker for the mistakes made by bankers who are not conservative and even at times reckless in their negotiations. There never was a better time for Congress to take a common-sense view of propositions of this kind, and I hope that the bill will be defeated. [Applause.]

Mr. McFADDEN. Mr. Chairman, I yield 10 minutes to the gentleman from Georgia [Mr. BRAND].

Mr. BRAND of Georgia. Mr. Chairman, I think it right and nothing but fair to the committee, and especially to the Chairman of the Banking and Currency Committee, that I gave notice when I voted to report this bill out of the Committee I reserved the right to change my mind, if I reached such a conclusion, and to vote otherwise in regard to the bill. This is one of the most important bills that has come before this Congress, or that has been acted on up to date, and it deserves the serious consideration of every Member of the House of Representatives, whether he votes for it or votes against it. It is more or less embarrassing to me, because it is the first time in my experience in Congress that I have differed with the chairman of our committee, whether Mr. McFADDEN, chairman when the Republicans were in control of the House, or my friend, Mr. STEAGALL, whose friendship I esteem and whose ability I admire in the highest degree.

The guaranty-deposit fund provided for in this bill is a protection against loss to depositors of national banks and State banks members of the Federal reserve system. Notwithstanding that Congress has no jurisdiction of State banks not members of the Federal reserve system, section 208 of the bill undertakes to give protection to depositors of such banks under conditions and stipulations therein provided.

However, there is no provision in the bill which proposes to take care of State banks not members of the Federal reserve system with a capital of less than $25,000. There are a number of banks throughout the United States, particularly in the agricultural sections, which have a capital of less than $25,000 and therefore they are excluded from the protection provided for in this bill.

It virtually outlaws every private bank and State bank not in the system throughout the entire United States.

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

Mr. BRAND of Georgia. Yes.

Mr. GARBER. In response to a question that embodied the gentleman's objection, the chairman assured the Members that he would be favorable to an amendment to section 208 which would lower the requirement of admission of nonmember banks to an amount of capital that would include them all and liberalize the other requirements in regard to inspection, so that all could become members.

Mr. BRAND of Georgia. Gentlemen can talk that way about it and feel that way about it, but it is not in this bill. The law now is that no bank can become a member of the Federal reserve system unless it has a capital and surplus of at least $25,000.

Mr. GARBER. The bill provides, as I understand it, that nonmember banks may be admitted for guarantee purposes only, and not be required to go into the Federal reserve system. Is not that correct?

Mr. BRAND of Georgia. With the proviso that the banks are given two or three years to get ready to go into the system, and also with the proviso that they pay twice the tax other member banks have to pay.

Mr. ALMON. What percentage of State banks are now in the Federal reserve system?

Mr. BRAND of Georgia. I am going to tell you that.

As of December 31, 1931, there were 6,368 national banks in the United States, 878 State banks members of the Federal reserve system, and approximately 14,000 State banks not members of the Federal reserve system. In the State of Georgia, for instance, there are 258 banks located in the agricultural sections which are not members of the Federal reserve system, 50 of which have only $15,000 capital.

We are asked to support a bill which requires 7,246 banks to take care of losses to depositors of 14,000 other banks located in every State in the Union. I respectfully submit for your serious consideration that these 7,246 banks should not be taxed and held responsible for the losses to depositors in all the other banks of the United States. Why require the banks in North Dakota and Minnesota, for instance, to pay the losses of depositors in insolvent banks in the States of South Carolina, Alabama, or Georgia? Why should the stockholders of the banks of Georgia be responsible for the losses sustained by failure of the banks in Michigan; or why should the banks in Chicago be taxed to pay the losses to depositors in insolvent banks in New York? I contend there is no justice or equity in requiring banks in one State to pay the losses sustained by depositors in failed banks in another State, or to tax banks in one section of a State for the purpose of taking care of the losses to depositors in a bank located in another section of the State.

As the proposed legislation covers every State in the Union, I think the guaranty fund should come out of the Treasury of the United States, and, if necessary, by the issuance and sale of bonds; and if the bonds are not sold, same to be given to the Federal Reserve Board for issuing notes against them, provided the accumulated franchise tax is not sufficient for this purpose, so that every taxpayer of the country will, upon a reasonable and sensible basis, bear his proportion of the losses to depositors and share equal credit for doing so, instead of putting the burden upon the 7,246 member banks. I believe in the doctrine and the principle that depositors should be protected against loss, but I do not believe that the solvent banks should be forced to carry the whole loss.

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

Mr. McFADDEN. Mr. Chairman, I yield the gentleman from Georgia five additional minutes.

Mr. BRAND of Georgia. In 1926 I introduced a bill for this purpose. At that time the Republicans were in control of every branch of the Government, and the gentleman from Pennsylvania [Mr. McFADDEN] was then the chairman of the Banking and Currency Committee of the House.

The bill I introduced did not provide for an assessment against the national banks and the State banks members of the Federal reserve system. It contained no provision which taxed banks to pay any part of the guaranty fund. It did not tax a State bank in the system or out of the system one single dollar. There was no assessment upon any bank in order to make up the guaranty fund. I introduced it for two or three different terms after 1926, but I could never get a hearing, because the Republican administration then in power was opposed to such legislation, and it died without the benefit of clergy. The distinguished gentleman from Arkansas [Mr. WINGO] was the ranking Member and his right bower was the gentleman from Alabama [Mr. STEAGALL], the present chairman. The gentleman from Pennsylvania [Mr. McFADDEN] was opposed to it, just as he is now. All the administration and everybody connected with the administration was opposed to this bill, and they are all opposed to the Steagall bill. If you can show me a recommendation from Secretary Mills or Governor Meyer or any member of the Federal Reserve Board or the Comptroller of the Currency in favor of this bill, I will be willing to take my seat and not discuss the bill further.

Mr. STAFFORD. Will the gentleman yield?

Mr. BRAND of Georgia. I yield.

Mr. STAFFORD. Who is in favor of it, other than the gentleman from Alabama [Mr. STEAGALL]?

Mr. BRAND of Georgia. Three-fourths or four-fifths of the Committee on Banking and Currency reported it out; and it may pass. I do not know.

Mr. STAFFORD. Then, it is not a unanimous report?

Mr. BRAND of Georgia. Yes. It was a unanimous report, with reservations.

Mr. STAFFORD. With the reservation of a bludgeon on the part of some to attack its very vitals as being not sound financially or governmentally?

Mr. COX. Will the gentleman yield?

Mr. BRAND of Georgia. I yield.

Mr. COX. I would like to have the gentlemen tell what this law will do to the State banks.

Mr. BRAND of Georgia. It will put them out of business; that is what it will do.

Mr. McFADDEN. Will the gentleman yield?

Mr. BRAND of Georgia. I yield.

Mr. McFADDEN. The gentleman has just stated, if I understood him correctly, that this was a unanimous report from the Committee on Banking and Currency. I would like to clarify that and say that I was not present when the bill was reported out. If I had been present I would have voted against it.

Mr. BRAND of Georgia. I am glad to be corrected, because I have no desire to misrepresent anybody.

If my bill had been enacted into law in 1926, the number of bank failures would have been reduced to a minimum and millions of dollars would have thus been saved to the depositors. If the Steagall bill, which proposes to assess the banks for the purpose of creating the guaranty fund, had been in effect, it would mean that these 7,246 banks of the United States would have had to bear the loss to depositors in all insolvent banks since 1926, which in all probability would have put 50 per cent of them out of business.

Under section 201a of the Steagall bill the guaranty fund is made up as follows: There is to be paid into the fund (1) by the Government, the franchise tax heretofore paid to the United States, 1914–1930, inclusive, $147,126,882; (2) by Federal reserve banks, out of the surplus now in the hands of the 12 Federal reserve banks, each bank to pay an amount which bears the same ratio to the said $150,000,000 as its surplus bears to total surplus of the 12 banks on December 31, 1931, $150,000,000; (3) by member banks, a total not to exceed, unless a less amount is fixed by the board, $200,000,000.

The number of nonmember banks, by States, as of December 31, 1931, is as follows:

[Figures for a few States are as of the nearest call date prior to December 31, 1931, no call having been made as of December 31 by the banking departments of such States.]

States, by geographic divisions	Total nonmember banks [1]	Total, excluding mutual savings and private banks
New England:		
Maine	70	38
New Hampshire	64	14
Vermont	55	36
Massachusetts	261	65
Rhode Island	21	12
Connecticut	155	80
Middle Atlantic:		
New York	403	237
New Jersey	154	124
Pennsylvania	466	437
East North Central:		
Ohio	507	463
Indiana	502	468
Illinois	865	865
Michigan	377	377
Wisconsin	722	717
West North Central:		
Minnesota	623	620
Iowa	727	727
Missouri	817	817
North Dakota	160	160
West North Central—Continued.		
South Dakota	178	176
Nebraska	469	469
Kansas	685	682
South Atlantic:		
Delaware	29	27
Maryland	128	114
District of Columbia	27	27
Virginia	249	249
West Virginia	116	116
North Carolina	235	235
South Carolina	85	84
Georgia	232	232
Florida	133	133
East South Central:		
Kentucky	386	386
Tennessee	312	312
Alabama	164	162
Mississippi	195	195
West South Central:		
Arkansas	211	210
Louisiana	165	165
Oklahoma	275	275
Texas	530	530
Mountain:		
Montana	85	84
Idaho	74	74
Wyoming	48	48
Colorado	129	129
New Mexico	22	21
Arizona	19	19
Utah	53	53
Nevada	22	22
Pacific:		
Washington	161	157
Oregon	94	94
California	202	201
Total	12,722	11,938

[1] Excluding private banks not under State supervision.

In many sections of the country stock in banks can not be sold to anybody at any price, and in many States in the Union banks decline to loan money to anyone. So we have the situation confronting us where the banks are afraid to loan money and are not loaning it to meet the demands of the people, and the depositors are afraid to leave their money with the banks. The public is demanding, and justly so, that some law be enacted, sound in principle and not burdensome, which will insure depositors they will get their deposits when called for. And yet no administration since the World War has made any effort to make this result effective. President Harding's administration did not undertake to do so. The administrations of President Coolidge did not, and the administration of President Hoover has not submitted any plan to do so. To my certain knowledge, the Treasury Department under the administrations of Presidents Coolidge and Hoover were opposed to any legislation guaranteeing protection to depositors in banks. The Secretary of the Treasury, the Comptroller of the Currency, the governor and every member of the Federal Reserve Board under both of these administrations were opposed to such legislation, and they are now opposed to the Steagall bill. Failure of Congress to pass a guaranty deposit bill and Wall Street manipulations and activities under the last two administrations and Wall Street's baneful influence with the capitals of the world, including this country, are two of the major causes of the unprecedented and destructive panic which has shocked the world.

I can not support the Steagall bill:

(a) Because the small banks, especially in the agricultural sections have earned but little money, if any, during the last two or three years, and the large banks for some reason or other are not functioning properly. They are not loaning money as they should. This complaint is general from one end of the country to the other, and to pass legislation of this character would give them another reason for refusing to make loans.

(b) Because taxing National banks and State banks, members of the Federal reserve system, to create the guaranty fund is unsound, inequitable, and unjust. The Steagall bill fixes the maximum fund of $200,000,000 and requires member banks to contribute an amount which bears the same

ratio to this fund as its average deposits bear to average deposits of all member banks. The total deposits as of December 31, 1931, were $30,746,386,000, the percentage of which is 0.00325. Upon this basis the assessment for the first year on member banks of the system is as follows:

$50,000	$162
$100,000	325
$200,000	650
$300,000	975
$400,000	1,300
$500,000	1,625
$600,000	1,950
$700,000	2,275
$800,000	2,600
$900,000	2,925
$1,000,000	3,250
$2,000,000	6,500
$3,000,000	9,750
$4,000,000	13,000
$5,000,000	16,250
$6,000,000	19,500
$7,000,000	22,750
$8,000,000	26,000
$9,000,000	29,250
$10,000,000	32,500

The CHAIRMAN. The time of the gentleman from Georgia has again expired.

Mr. GOLDSBOROUGH. Mr. Chairman, I yield to the gentleman from Georgia 10 additional minutes.

Mr. ALMON. Have the hearings on this bill been printed?

Mr. BRAND of Georgia. Oh, yes.

In the year 1931 there was not a single national bank failure in Vermont, Maine, Rhode Island, and Connecticut. The total deposits of 160 national banks doing business in those States was $444,971,000, as reported in September, 1931; yet under the Steagall bill those banks which have enjoyed such a record for safety would be compelled to pay an amount equal to $1,334,913 for the privilege of taking care of little banks in the South and West and East, wherever they fail. It is an outrageous proposition it seems to me. If you are going to have a guaranty fund, take it from the Treasury of the United States, where you go to get funds for everything recommended by the President and all the leaders of the House and the leaders in the Senate, including the gentleman from Texas [Mr. PATMAN], who is so keenly and intensely interested in the bonus bill. Take it out of the Treasury. [Applause.]

Mr. GARBER. Will the gentleman yield?

Mr. BRAND of Georgia. I yield.

Mr. GARBER. I have a high regard for the gentleman's legal ability. Is it the gentleman's opinion that the bill could not be amended so as to bring into the guaranty provision all of the nonmember banks?

Mr. BRAND of Georgia. It can be provided for, but the banks can not come in unless they are in such financial condition as to meet the approval of the Treasury Department. Besides, some of them do not want to come in.

Mr. REILLY. Let them stay out.

Mr. BRAND of Georgia. They are staying out.

Mr. COX. Will the gentleman yield further?

Mr. BRAND of Georgia. I shall be pleased to.

Mr. COX. In other words, if this bill goes into effect every weak State bank in the country that can not qualify must close.

Mr. BRAND of Georgia. That is my contention.

Mr. LAGUARDIA. Why should they not close if they can not qualify?

Mr. COX. Simply because they can not compete as against national banks subsidized by the National Government, as is provided in the proposed bill.

Mr. BRAND of Georgia. Mr. Chairman, I can not yield for the gentlemen to carry on a colloquy.

I can not get much excited about a bill which would force nonmember banks into the Federal reserve system against their will because the charges Mr. STEAGALL referred to could not be collected by the banks after they became members of the system. Besides, member banks do not get interest on the reserve fund banks are required to maintain.

(c) Because this bill takes away from the Federal reserve system over half of the net earnings of the system as of April 6, 1932, which was $259,421,000. The surplus of each Federal reserve bank is as follows:

Boston	$20,039,000
New York	75,077,000
Philadelphia	26,486,000
Cleveland	27,640,000
Richmond	11,483,000
Atlanta	10,449,000
Chicago	38,411,000
St. Louis	10,025,000
Minneapolis	6,356,000
Kansas City	8,124,000
Dallas	7,624,000
San Francisco	17,707,000
Total	259,421,000

If this amount of money is to be taken from the earnings of the Federal reserve system, I would suggest that the same be returned to the member banks of the system who paid and caused this accumulation of earnings.

As a matter of information, I am including in this address the gross and net earnings and expenses of all Federal reserve banks and also of each Federal reserve bank from 1914 to 1930, inclusive.

Gross earnings for Federal reserve system	$941,052,065
Total expenses for Federal reserve system	417,847,900
Net earnings for Federal reserve system	523,204,165
Gross earnings for Federal reserve, Atlanta	46,484,095
Total expenses for Federal reserve, Atlanta	22,774,963
Net earnings for Federal reserve, Atlanta	23,709,132
Gross earnings for Federal reserve, Boston	64,301,175
Total expenses for Federal reserve, Boston	28,371,548
Net earnings for Federal reserve, Boston	35,929,627
Gross earnings for Federal reserve, New York	273,116,241
Total expenses for Federal reserve, New York	95,077,273
Net earnings for Federal reserve, New York	178,038,968
Gross earnings for Federal reserve, Philadelphia	70,835,186
Total expenses for Federal reserve, Philadelphia	28,709,532
Net earnings for Federal reserve, Philadelphia	42,145,654
Gross earnings for Federal reserve, Cleveland	81,781,907
Total expenses for Federal reserve, Cleveland	38,089,978
Net earnings for Federal reserve, Cleveland	43,691,929
Gross earnings for Federal reserve, Richmond	45,280,078
Total expenses for Federal reserve, Richmond	22,070,963
Net earnings for Federal reserve, Richmond	23,209,115
Gross earnings for Federal reserve, Chicago	134,478,670
Total expenses for Federal reserve, Chicago	57,023,387
Net earnings for Federal reserve, Chicago	77,455,283
Gross earnings for Federal reserve, St. Louis	$41,654,421
Total expenses for Federal reserve, St. Louis	24,076,969
Net earnings for Federal reserve, St. Louis	17,577,452
Gross earnings for Federal reserve, Minneapolis	31,008,468
Total expenses for Federal reserve, Minneapolis	15,330,485
Net earnings for Federal reserve, Minneapolis	15,677,983
Gross earnings for Federal reserve, Kansas City	45,907,568
Total expenses for Federal reserve, Kansas City	26,421,013
Net earnings for Federal reserve, Kansas City	19,486,555
Gross earnings for Federal reserve, Dallas	33,972,462
Total expenses for Federal reserve, Dallas	20,843,698
Net earnings for Federal reserve, Dallas	13,128,764
Gross earnings for Federal reserve, San Francisco	72,231,794
Total expenses for Federal reserve, San Francisco	39,088,091
Net earnings for Federal reserve, San Francisco	33,143,703

(d) Because the pending bill would drive the nonmember banks into the Federal reserve system against their will if qualified, or put them out of business. Congress ought not

to pass any law which would force the nonmember banks into the Federal reserve system against their will. Even if these nonmember banks, in order to get the guaranty protection, are willing to become members of the Federal reserve system, many of them in all probability would have serious difficulty in complying with the requirements of the office of the Comptroller of the Currency and the Federal Reserve Board.

Should a nonmember bank's application to become a member of the Federal reserve system be turned down and if this information should become public, a run on this bank would be inevitable, ending in closing its doors.

If these nonmember banks should apply for and succeed in meeting the requirements of the Treasury Department, thereby becoming members of the Federal reserve system, they are required under the provisions of this bill to be assessed or taxed double the amount placed on State banks already members of the system. Many of the State banks not members of the Federal reserve system can not afford or can not qualify to become members of the system on account of the requirements of the system, which would mean the closing of many of the State banks not members of the Federal reserve system, and all of the State banks with capital of less than $25,000 would have to close their doors since no person would deposit money except in a guaranty bank.

(e) Because all the State banks not members of the Federal reserve system with a capital of $25,000 and less are ineligible to obtain the benefits of the guaranty fund proposed in this bill.

(f) Because this bill discriminates against member banks. Section 202 (d) provides if the guaranty fund is found more than adequate the board may refund to each Federal reserve bank and to each national bank an amount which bears the same ratio to the excess as the amount which each such bank contributed, whereas there is no provision for a refund to State member banks.

After all is said and done upon this proposition it is very simple. It requires the good banks to take care of the bad banks, the strong banks to take care of the weak banks, the solvent banks to take care of the insolvent banks, and that burden would be put upon 7,246 banks. This bill furnishes no protection whatever to small banks with less than $25,000 capital. It gives only a conditional protection to all nonmember banks having capital of over $25,000 throughout the entire country.

We should frame some sane and sound guaranty law, reasonable and equitable in its enforcement, and get the funds out of the pockets of Uncle Sam without taxing the banks which are now in more or less trouble and making no money. [Applause.]

Mr. COX. Will my colleague permit me to call attention to another inequality carried by the bill against the State banks? It relieves stockholders in national banks organized from a day subsequent to the adoption of the bill of the double liability clause.

Mr. BRAND of Georgia. Yes.

Mr. COX. This means a reorganization of all existing banks in order that stockholders may be relieved of the double liability clause. And in that connection permit me to further state that most of the States have this same provision in their State banking laws.

Mr. BRAND of Georgia. I can not touch upon all the objections I have against this bill. I have honestly given you my objections to this bill from my point of view.

Mr. STEAGALL's heart is all right, but his thinking is wrong about this thing. There are 7,256 banks which will have to carry the tax and they do not want to do it.

The American Bankers Association has declared against it. The Georgia Bankers Association has declared against it. The Country Bankers Association of Georgia has declared against it. I think I owe it to my State, to the member banks of the Federal reserve system, as well as the banks who are not members of the Federal reserve system to go on record against the proposition of taxing any bank anywhere in the United States to create this guaranty fund, and I place my objections on record with pleasure. [Applause.]

I am heartily in favor of a sound and safe deposit fund law, and that such a law should be enacted for the protection of depositors, but the money necessary for the purpose of creating a guaranty fund should be appropriated out of the Federal Treasury, but in no case should a tax be levied on member banks for this purpose.

Mr. Chairman, I have some statistics here I did not read in their entirety. I ask unanimous consent to revise and extend my remarks and therein include the same.

The CHAIRMAN. Without objection, it is so ordered.

There was no objection.

Mr. BRAND of Georgia. Mr. Chairman, I yield back the balance of my time. [Applause.]

Mr. McFADDEN. Mr. Chairman, I yield myself 20 minutes.

Mr. Chairman, this bill is a leap into a chasm of uncertainty. It is unsound in principle and should not be enacted into law. It undoubtedly comes about at this time because of a situation which exists in this country, due largely to the disorganization of finance and economics caused by the depression which started in 1929, resulting in many bank failures, due to losses and depreciation in values throughout the country.

It is a subsidy on the part of the Government of the United States, the same kind of a subsidy, only more definite, than that which was granted when a franchise was given by the United States to the Federal reserve system.

I want to point out in the first instance what the franchise is that was granted to the Federal reserve system by the United States Government. It is the franchise of note issue, which at this time amounts, in round figures, to $2,700,000,000. The United States is now to be deprived of any earnings from that source. The Federal reserve banks have the use of that $2,700,000,000 in Federal reserve note issue. They place it in their assets and they have the benefit of the earnings that accrue from investment of this cash. In addition to that the United States pays the Federal reserve system for certain fiscal operations. The banks of the United States which are members of the Federal reserve system also contribute a fund to the operation of the Federal reserve system in that they contribute something over $2,100,000,000 in deposits, for which the member banks receive no income in the way of interest, which the Federal reserve system loans at the usual rate and has the benefit of whatever income they may receive from that source. These member banks also contribute the entire capital stock and there is also contributed for the use of the system the surplus funds which have been accumulated from the earnings of the Federal reserve system, which surplus, in case of liquidation, belongs to the United States Government. It is a nice franchise which the United States Government is giving to the Federal reserve system, and embodied in that is the control of the issuance of money and credit. No other franchise of equal importance was ever granted by the United States Government to any organization of any kind. This power to control the money and credit is the power to control prices.

At this particular session of Congress there have been enacted several pieces of legislation which have to do with the Federal reserve system, not the least of which is the Reconstruction Finance Corporation, a creation by the United States Government, with a capital of $500,000,000, which is authorized to issue $1,500,000,000 of debentures to be sold. To whom? Under the operation of the plan, with the large requirements of the United States Government for refunding operations and to make up deficits other than that provided in the tax bill, the Governnment of the United States has got to borrow large sums of money. If I read the situation correctly, the Treasury of the United States is not going to permit the Reconstruction Finance Corporation to go into the market and bid against the needs and requirements of the Public Treasury. You gentlemen will recall, I am sure, that there is a provision in that law to the effect that the Treasury can purchase these Reconstruction Finance Corporation obligations. I am simply mentioning that to show that the United States Government gives away a franchise to issue money and credit to the Federal reserve system. I also call attention to the fact that

when the United States Government wants money it has to pay that system for the money, and that is particularly true if, under the Steagall-Glass bill, it is necessary for the system to inflate in order to take care of the requirements of the Government and meet the demands of the Reconstruction Finance Corporation.

Here in this bill we have a further franchise of that same character. It has been tried out in several of the States, and I want to point out the fact that in each one of these States it has failed. It is a class of risk that the surety companies and insurance companies of the United States are not willing to carry; in fact, at this time the surety companies which have been carrying on the surety business for special deposits of States and local political subdivisions on funds which belong to schools, towns, or cities are withdrawing entirely from that field, and for some time past, before they retired entirely from it, these surety companies were requiring the banks to put up an equal amount of good securities to cover that risk. The surety companies have been charging one-half of 1 per cent, and they have been losing money on that operation. Now they are refusing to guarantee these deposits in banks——

I say this is a Government subsidy. It is a Government subsidy, and I will show you how and why. The bill provides that the guaranty fund shall be made up how? First, by the Government. The franchise tax heretofore paid to the United States, from 1914 to 1930, inclusive, $147,000,000. That means that the money comes directly out of the Public Treasury and it must come out of taxes or borrowings. It will increase the Treasury deficit; it will unsettle conditions and to that extent further unbalance the Budget that we are hearing so much about these days. The Federal reserve banks are to contribute $150,000,000. From what fund? From the surplus fund, which belongs to the United States Government and not to the banks. So there is practically $300,000,000 of this guaranty fund that is contributed by the United States Treasury. There is no one here who will argue for a moment that that is not an assumption of the guaranty fund by the United States Government. Of course it is. The Government will be called on for that fund, just as we are being called upon at this session to take care of Government-organized institutions, organized with Government money, and which in the first instance it was argued would make no further demands upon the Public Treasury. But they are making further demands, and, as to this guaranty fund, certainly no one can claim for one moment that this is not the establishment of a guaranty of bank deposits by the Government of the United States. The Government is to appropriate directly one hundred and forty-seven million and odd and furnish $150,000,000 from Federal reserve surplus which belongs to the United States.

Mr. EATON of Colorado. Will the gentleman yield?

Mr. McFADDEN. Yes.

Mr. EATON of Colorado. Is there any difference between the word "guaranty" and the word "insurance" in connection with these bank deposits?

Mr. McFADDEN. I am using the expression that has been used here generally.

Now, the establishment of this fund is not going to stop bank failures. If anything, it will encourage, through irresponsible management, more bank failures. One of the finest things about sound banking to-day is sound management. This is going to permit promoters and schemers to buy up banks and to use them because the deposits will be insured.

I was told last summer in New York by some of the men engaged in the investment-banking business, some of the men who have been largely responsible for the exploitation of the banks and have caused to a large extent many failures of banks and individuals by unloading improper securities on the innocent country bankers and others, many of the securities being foreign securities, that we were going to pass a guaranty of deposits bill at this session of Congress. I said, "What is the idea? I do not believe there is sentiment for such an unsound proposition." They replied, "I will tell you why you are going to do it.

"These investment bankers who have been engaged in the sale of foreign securities in the United States and who have been engaged in various combinations of domestic institutions where they have pyramided assets and sold at par or better in a willing market securities that were not worth 10 cents on the dollar, as has been proven by the market statistics of to-day, are afraid to meet the great number of depositors of failed banks, because they are responsible for having invested the deposits belonging to depositors in these phony securities, and therefore they are insisting that the United States Government step in and guarantee deposits to the great mob of depositors throughout the country, fearing that if the situation develops into a greater disaster these depositors, knowing now who is largely responsible for the exploitation of their sacred deposits, will en masse cause a disturbance, and fix responsibilities on these so-called investment bankers, some of whom are the so-called international group."

Do you want to pass legislation for purposes of that kind, to guarantee the losses and mistakes of these bankers? If so, pass this bill.

I am opposed to this bill for these reasons. It will encourage reckless and unsound banking. There is no guaranty that the plan will be successful and will not break down as it has in all States where it has been tried. It will place an undue burden on the banks, which many will be unable to meet. It discriminates against State nonmember banks. It does away with double liability on stock, which I feel is very essential. Let me say something here. The chairman of the committee has referred to double liability as nonproductive. Let me touch upon one phase of the situation which this particular clause will greatly facilitate, and that is the question of chain banking and holding-company banking, and in this connection I want to mention briefly the irresponsible stockholders of bank stocks in this country.

Many people own bank stocks to-day in the names of dummies to escape all responsibility. This not only applies to banking but applies to many of our large industries and railroads. You will find by looking over the stockholders' list of our large corporations that the managing officers or the control hold comparatively few shares in the institutions which they are managing, and this is particularly true at the present time. This was brought to my attention a few weeks ago by reference to the small amount of stock held by the individual directors of the United States Steel Corporation. According to the press many of them hold only 10 shares of stock.

This provision will remove an obstacle from holding companies organized for the purpose of controlling bank stocks, because one of the impediments there is this undisclosed stockholders' liability or this double liability. I think it is a particularly dangerous thing on that account and will tend to accelerate holding-company buying and holding stocks in banks.

Mr. STAFFORD. Will the gentleman yield for a question in that particular?

Mr. McFADDEN. Yes.

Mr. STAFFORD. Then the statement made by the gentleman of the actual practice rather confirms the position that double liability is not a real asset to the depositors of failed banks?

Mr. McFADDEN. I say it will accelerate ownership by holding companies which engage in chain and group banking, because they are deprived now from doing this to a certain extent by the fact there is an undisclosed, double liability.

Mr. STAFFORD. My impression, so far as banks in my home city are concerned, is that they do not resort to that practice and that the stock is held by the real owners and not by dummy ownership.

Mr. McFADDEN. During the last few years it has been most unfortunate that speculation has been engaged in in bank stocks to such a large extent. Certainly, it has changed the whole situation so far as ownership of banks

is concerned and put many of them in the category of speculative stocks.

Sound, conservative management is the keystone of success of any business, whether it be banking, lumber, or groceries; and while I realize that economic conditions have been in a large measure responsible for our recent wave of bank failures, I also know that we have 20,000 going banks and that many banks which have failed would not had they been properly managed.

It has not been unusual for a bank on one corner to close while its conservatively managed neighbor bank on the opposite corner survived and is still doing business. What this bill proposes is to say, in effect, to the well-managed bank, You have a competitor who is weak, is badly managed, which may fail, and we are going to penalize you, your depositors and stockholders to pay for the bad management of this other institution. With what result? Obviously, the answer—Why should I strive to run a good bank; why not take chances and risks as does the other bank if I am to be penalized?

If you are in the grocery business, the law business, or newspaper business, why should you who run a well-managed, successful institution be penalized to pay for the mistakes of others in the same line of business, and that is what we try to do here, except it is the banking business.

I am not a banker; but common sense indicates that if this bill becomes law it will do more than anything else to promote reckless banking. No plan of insurance or guaranty, either applied to bank deposits or to any form of credit or property is sound or can long be successfully maintained where a uniform premium is assessed upon all participants, strong or weak, good or bad, alike.

Let us see what the experience of the States has been with respect to the guaranty of deposits. All the laws on this subject in the States have either been repealed or are inoperative. In other words, such plans have failed. Page 34 of the hearing before the subcommittee shows the following:

Oklahoma: Enacted in 1907 panic, inoperative in 1921, due to fund being practically insolvent, repealed March 31, 1923, deficit between $7,000,000 and $8,000,000.

Kansas: Enacted in 1909, a voluntary system, not requiring payment in full, balance assessed after full liquidation, repealed 1929, deficit $7,000,000, inoperative since 1926.

Texas: Enacted in February, 1925; made optional bond security system, guaranteeing system; became practically inoperative in that year; repealed 1927; deficit $16,000,000.

Nebraska: Enacted 1911; repealed March 3, 1930; deficit $20,000,000.

Mississippi: Enacted 1914; suspended March 11, 1930, due to deficit of $3,000,000 to $4,000,000.

South Dakota: Enacted in 1915, repealed in 1925 by legislature, reinstated by moratorium in 1926, finally repealed in 1927, deficit $32,000,000.

North Dakota: Enacted in 1915, repealed in 1929, deficit $14,000,000.

Washington: Enacted in 1917; voluntarily canceled when Scandinavian Bank in Seattle failed with deposits of $9,000,000, and then all of banks in system withdrew warrants issued and not paid; inoperative since 1921.

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

Mr. McFADDEN. Yes.

Mr. ADKINS. In those States, one of them in particular, where the deposits were guaranteed, the newspapers gave out a statement at one time that they had a bank for every 780 people.

Mr. VINSON of Kentucky. Mr. Chairman, will the gentleman yield?

Mr. McFADDEN. Yes.

Mr. VINSON of Kentucky. Could the gentleman tell us what was the amount paid into that fund in the various States?

Mr. McFADDEN. I have not those data here. If I can get them, I shall put them into the RECORD.

Mr. VINSON of Kentucky. Can the gentleman tell us how the average amount paid in compares with the amount called for under this bill?

Mr. McFADDEN. I shall be glad to put that into the RECORD also.

The CHAIRMAN. The gentleman has consumed 20 minutes.

Mr. McFADDEN. I yield myself 10 minutes more.

Mr. WHITTINGTON. Is it not true in many States where the system has failed that the only money the depositors have gotten has been from appropriations made by the legislatures of those States to satisfy the wants of these depositors?

Mr. McFADDEN. To quite an extent.

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

Mr. McFADDEN. I am sorry, but I want to finish this statement if I may, because I think it is important.

Now that is the history of the State guaranty of deposits. There is not one of them operating; every one has become hopelessly insolvent. The chairman of the Banking and Currency Committee will tell you, as he has told you before, that this has nothing to do with his bill; that the experience of an individual State does not prove that this bill will not work. That line of argument is not convincing to me; the same principle is involved, and the record of these eight great States can not be ignored.

This bill will not stop bank failures; it is designed to pay the depositor in full when a bank fails. Now let us see what the history of bank failures will show as to losses. There are no figures available as to State banks where the largest percentage of failures has occurred, but we have some figures to go on in national banks.

We have been told that $45,000,000 has been the total losses to depositors in national banks during the history of national banks down to 1925. There has been some misunderstanding on this figure. Upon inquiry at the office of the Comptroller of the Currency I find that $45,000,000 was the loss on the closed banks which had been completely liquidated, but there were closed banks still in the process of liquidation at that time.

In 1930, 898 national banks had been fully liquidated with losses of $95,231,473, and 443 were in process of liquidation. If we add these 443 banks and 571 which failed from 1930 to February this year and use the same percentage of loss, we find that the total estimated losses would be $409,957,170 for the national system alone. If we add the failures in the State member system from 1921 to February of this year, of 383 banks—losses, $278,400,000—we have a grand total of $688,357,170 of losses in the Federal reserve member banks alone. No consideration has been given in these figures to State banks which do not belong to the Federal reserve system. The bill contemplates these banks will take advantage of the plan. It is among the nonmember State banks that the greater number of failures have occurred. From the Federal reserve bulletins and reports I find that during the last 11 years—1921 to 1931—7,578 nonmember State banks with deposits of $2,695,034,000 failed. If we follow the same percentage as to losses in these banks as the national system, we find they amount to $853,786,771. Adding this figure to $688,357,170, we have a grand total of losses of $1,542,143,941.

Thus in a 10 or 11 year period we find the losses in our banking system to be well over a billion and a half dollars. These are the losses, but this bill will pay the depositor in full. The total deposits in the failed banks of this country the last 11 years—1921 to 1931—according to Federal Reserve Board figures were $4,345,872,000. If the bill proposed had been in operation, it would not only have been inadequate but sunk beyond recall. We all hope history will not repeat, but it has a strange way of doing so, and if the past repeats, the provisions of this bill will not operate, for during that 11-year period, working at a maximum, it would have taken $100,000,000 a year from the banks as a levy, or $1,100,000,000, and with its capital funds of $297,126,882, or a total of $1,397,126,882, it could not by any stretch of the imagination, including collections from assets, have paid out over $4,000,000,000.

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

Mr. McFADDEN. Yes.

Mr. WOODRUFF. The gentleman speaks of the losses that have occurred from the failure of banks during the past two years to call attention to the stupendous losses occasioned the depositors by the failure of those banks. Is it not his opinion that many of the banks that have failed during that time would be open and doing business to-day had it not been for the fear in the minds of the depositors that those banks were unsound and that it was this which caused them to withdraw their funds?

Mr. McFADDEN. That undoubtedly is so. It is fear and sometimes facts that cause runs on banks. I am sorry that I can not yield further to the gentleman.

I have said that the bill will place an undue burden on the banks and that it discriminates against nonmember banks. The bill will take $100,000,000 a year from the member banks, or on the basis of the total deposits in the member banks as of December 31, 1931, the sum of $3,200 for each $1,000,000 of deposits.

I would like to point out in addition to this withdrawal of this $150,000,000 of the Government's money which is now a part of the surplus of the Federal reserve system, that you are going to withdraw a fund that otherwise would belong to the Government to the extent probably of $100,000,000 a year, or whatever may be required to pay depositors of failed banks.

Mr. STEAGALL. Mr. Chairman, will the gentleman yield? I know the gentleman does not want to make the statement that there is the slightest dream on the part of anybody that the Federal reserve banks will ever again pay $100,000,000 under existing law into the Treasury.

Mr. McFADDEN. Will the gentleman tell us how much will be withdrawn annually?

Mr. STEAGALL. No; but they have ceased to pay any at all, and the most they ever paid during the war was $50,000,000.

Mr. McFADDEN. But let me call attention to the fact that there is an undisclosed liability there that if it is needed to pay depositors in failed banks the Federal reserve will have to pay its share of $100,000,000 a year. I hope it will not be needed.

Mr. LAGUARDIA. Out of its own money.

Mr. McFADDEN. Out of its surplus earnings, which surplus, when created, belongs to the United States Government in case of liquidation.

Mr. WOODRUFF. Will not the gentleman yield to pursue my question a little further.

Mr. McFADDEN. If I had the time, but I am depriving other gentlemen of their allotted time.

I find from testimony before the subcommittee, page 37, that during the 5-year period, 1926 to 1930, 15.8 per cent, or nearly 16 per cent, of the national banks lost money; that is, not only did they carry no earnings to undivided profits, paid no dividends, but operated at a loss. In banks with loans and discounts between $150,000 and $250,000, 28 per cent lost money; between $250,000 and $500,000, 20 per cent lost money; between $500,000 and $750,000, 14 per cent lost money, and so on up the list. I have no reason to believe that State banks have any better record. Yet it is upon these banks you place the burden of responding to an assessment each year, and if they can not meet it, either one of two things happens—the plan fails or the successful bank stands the burden. In the abnormal year of 1931 the member banks—see page 56 of the hearings—after losses, made but $13,499,000. Yet this bill, if it had been in operation, would have taken $100,000,000. It is in an abnormal year we have the most bank failures.

As to nonmember State banks, we find that they will be permitted to receive the benefits of the bill provided they are in sound financial condition and contribute to the fund twice the amount levied on the member banks, or $6,400 for each $1,000,000 of deposits. If this bill is a burden on the member banks, it is doubly one on the nonmember banks and these banks are the greater bulk of our banks. On December 31, 1931, there were 7,246 member banks of the Federal reserve system as compared with about 14,000 nonmember banks. In other words, twice the number will bear a double burden. It is clearly a discrimination.

I turn now to the provision of the bill relieving the stockholders of national banks from the double liability on their stock in the event of failure or impairment of capital of the bank. I judge that the argument will be made that inasmuch as we will have a guaranty of deposits law, it will not be necessary to have double assessment to protect the depositors. It must be remembered, however, that the fund would have to be replenished and the recoveries from stockholders would be a material help since approximately 50 per cent of these assessments are collected and experience has shown that 16 per cent of the dividends paid in national banks come from the proceeds of stock assessments.

Moreover the double liability plays a very important part in the going bank, especially when the capital structure becomes undermined through losses and the capital is impaired but the bank is not insolvent. It gives a vehicle by which the Comptroller of the Currency is able to in many cases have the bank's capital restored and saves the institution.

In conclusion I desire to point out that this bill will take from the Public Treasury $147,126,882. I anticipate that the statement will be made that this amount was paid into the Federal Treasury by the Federal reserve banks through earnings made from member banks and that there is no reason why it should not now be withdrawn. As a matter of fact, while it was paid into the Federal Treasury, it has been used and as such is not there now. To now get this amount will mean that it either has to be raised through taxation or borrowed, and at a time when we are attempting to economize and balance the Budget it will add one more burden.

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

Mr. McFADDEN. Yes.

Mr. STEVENSON. The gentleman has just quoted the comptroller and has set forth banks that have lost money and how much they lost. Does the gentleman agree with the comptroller as to what the remedy is—not that we make banking business more profitable for the general run of banks, but that we have a system of branch banks such as they have in Canada.

Mr. McFADDEN. Oh, the gentleman knows that I am entirely opposed to extending branch banking in the United States. [Applause.] It is a system of further centralization, and what we need in banking in the United States is decentralization, giving the people some control over what shall be done with their own money; they are deprived of that right now.

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

Mr. McFADDEN. Mr. Chairman, I ask unanimous consent to revise and extend my remarks by placing in the RECORD the balance of this statement which I had intended to deliver. I would also like to insert an analysis of the other paragraph of the bill.

This analysis is as follows:

This summary illustrates the effect of the various provisions of the bill.

TITLE II

SEC. 201. Federal Bank-Liquidating Board: A board of five members under this title is established, consisting of the Secretary of the Treasury, Comptroller of the Currency, and three presidential appointees, not more than one of the three to be of the same political party, term of office four years, salary of appointees $10,000 each, the board to elect its own chairman and other officers and employ help.

SEC. 201a. Federal guaranty fund: A Federal guaranty fund for depositors in member banks of the Federal reserve system is established. There is to be paid into the fund—

(1) By the Government, the franchise tax heretofore paid to the United States (1914–1930, inclusive)	$147,126,882
(2) By Federal reserve banks, $150,000,000 of the surplus now in the hands of the 12 Federal reserve banks, each bank to pay an amount which bears the same ratio to the said $150,000,000 as its surplus bears to total surplus of the 12 banks on December 31, 1931	150,000,000
(3) By member banks, a total not to exceed (unless a less amount is fixed by the board)	200,000,000
	497,126,882

The above would make an initial fund aggregating nearly $500,000,000. With respect to the $200,000,000 maximum payment, assuming it is required of member banks, each bank must pay an amount which bears the same ratio to $130,000,000 as its average deposits, other than "time," during the preceding calendar year bear to the average deposits of all member banks; and each bank must pay a further amount which bears the same ratio to $70,000,000 as its average "time" deposits during the preceding calendar year bear to the total "time" deposits of all member banks.

The deposits other than time of all member banks on December 31 were $19,430,544,000 and a payment of $130,000,000 would be equivalent to a payment by all the banks of over six-tenths of 1 per cent of their average deposits other than time. The time deposits of all member banks on December 31 were $11,315,842,000 and the payment of $70,000,000 by all member banks would be the equivalent of over six-tenths of 1 per cent of their time deposits. As to individual banks the percentage would be greater or less according to the amount of their deposits.

SEC. 202. (b) Additional assessments upon member banks if necessary: If the board finds the payment under subdivision (a) inadequate, it may after 12 months make an annual assessment upon member banks of the whole or any part of $100,000,000, each bank to pay an amount which bears the same ratio to the total as its net earnings will bear to the net earnings of all member banks for the preceding calendar year.

It may be pertinently asked: In case the fund is depleted by failures of poorly managed guaranteed banks, how long will sound member banks, if not driven out by the original contribution, remain in the system when called upon for additional contributions?

SEC. 202. (c) Payments subject to call of board: Sums payable by Federal reserve banks or member banks are subject to call of the board, in whole or in part, at such times as it may fix.

SEC. 202. (d) Refunds by board: If the guaranty fund is found more than adequate, the board may refund to each Federal reserve bank and to each national bank an amount which bears the same ratio to the excess as the amount which each such bank contributed.

It is to be noted that this omits any provision for a refund to State member banks.

SEC. 202. (e) Investment of guaranty fund: Investment is limited to (1) interest-bearing direct obligations of the Government, (2) non-interest-bearing deposits in member banks.

Sec. 203. Investment of assets and deposits of insolvent national bank: Upon certificate of insolvency the board shall wind up the bank in the manner provided by existing law, except as modified by this act, and within 30 days a committee of three—one appointed by the board, one by the owners of a majority of the stock, and one by depositors owning over 50 per cent of the deposits—shall make an estimate of the value of the assets, the amount of liabilities, and a statement of the amount due each depositor.

Sec. 204. Payment of depositors of insolvent national bank: Upon the basis of an approved estimate, whether or not modified by the board, it must pay each depositor—

(a) Within 60 days after certificate of insolvency not less than 50 per cent on deposits of $1,000 or less and not less than 25 per cent where the deposit exceeds $1,000; or $500, whichever is greater;

(b) Within six months thereafter, on deposits of $1,000 or less, the difference between the amount of the deposit and the amount paid under (a);

(c) Within six months thereafter, not less than 25 per cent to all depositors whose deposits are still unpaid; and

(d) Within six months thereafter, all deposits shall be paid in full.

SEC. 205. Board can borrow on assets of insolvent national bank: Power is given to borrow money secured by the assets of any insolvent national bank, for the purpose of making payments to depositors and other creditors of the bank and the fund must be only so used.

SEC. 206. Payments to depositors of insolvent State member bank: The board shall request the receiver or liquidating agent of an insolvent State member bank to submit a report and estimate, containing the same matter as required in section 203 in case of an insolvent national bank and, upon approval of the report and estimate, shall make payments of amounts equal to the amounts which would have been paid depositors of insolvent national banks under section 204; such payments to be made to the receiver or liquidating agent in trust for the depositors.

Sec. 207. Penalty for noncompliance: In case of failure of any member bank to comply with the provisions of Title II or any regulation made by the board thereunder, the board, after hearing, may require surrender of its stock in the Federal reserve bank and forfeiture of membership. In the case of a national bank the bank forfeits all its rights, privileges, and franchises under the national bank and Federal reserve acts.

Sec. 208. Regulations of board: The board is authorized to make necessary regulations under Title II.

Sec. 209. Appropriation: There is authorized an appropriation of such sums as are necessary to carry out the provisions of the act.

I also would like to insert at the close of my remarks a brief voicing the opposition of the American Bankers' Association to this particular bill, which brief was prepared by their general counsel.

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania?

Mr. LAGUARDIA. Reserving the right to object, I did not understand whose brief it was.

Mr. McFADDEN. A brief prepared by the general counsel of the American Bankers' Association.

Mr. LAGUARDIA. And the gentleman is presenting that to bolster his own argument?

Mr. McFADDEN. Oh, no. It is a fair legal analysis by Judge Paton, who is a very fair lawyer and who has analyzed this bill. I will not put it in if the gentleman objects.

Mr. LAGUARDIA. The reason I inquired is that I have heard the gentleman criticize that same association very ably and with justification.

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. MAY. Mr. Chairman, I would like to ask if the gentleman will not yield himself one additional minute to answer a question which I would like to ask him?

Mr. McFADDEN. Mr. Chairman, I yield myself one additional minute in order to answer the gentleman's question.

Mr. MAY. I was very much interested in the argument made by the gentleman from Pennsylvania on the subject of the alleged discrimination of this bill against a well-managed bank and in favor of a badly managed bank. I wanted to ask if the gentleman does not think that ignores the real purpose and intent of this bill, which is the protection of the depositors and not the stockholders or the bank particularly?

Mr. McFADDEN. No. I do not think I ignored that angle of it. I realize that this bill is intended to protect the depositors, but I think it is a question as to the method they are pursuing to do that.

Mr. VINSON of Kentucky. Will the gentleman yield?

Mr. McFADDEN. I yield.

Mr. VINSON of Kentucky. Is there any difference of opinion as to the cost of $3,200 for a $1,000,000 bank between the gentleman and other members of the committee?

Mr. McFADDEN. I have not discussed that with the other members of the committee.

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

Mr. McFADDEN. I insert now the brief prepared by Thomas B. Paton, general counsel of the American Bankers' Association, heretofore referred to:

The American Bankers' Association has long been opposed to the compulsory guaranty of bank deposits in any form. Nearly a quarter of a century ago, at the inception of the movement for the enactment of deposit guaranty laws in certain Western States, the association at its annual convention held in Denver, Colo., in September, 1908, adopted the following resolution:

"*Resolved*, That the American Bankers' Association is unalterably opposed to any arbitrary plan looking to the mutual guaranty of deposits, either by a State or the Nation, for the following reasons:

"1. It is a function outside of State or National Government.
"2. It is unsound in principle.
"3. It is impracticable and misleading.
"4. It is revolutionary in character.
"5. It is subversive to sound economics.
"6. It will lower the standard of our present banking system.
"7. It is productive of and encourages bad banking.
"8. It is a delusion that a tax upon the strong will prevent failures of the weak.
"9. It discredits honesty, ability, and conservatism.
"10. A loss suffered by one bank jeopardizes all banks.
"11. The public must eventually pay the tax.
"12. It will cause and not avert panics.

"*Resolved*, That the American Bankers' Association is unalterably opposed to any arbitrary plan looking to the mutual guaranty of deposits, either by a State or the Nation, believing it to be impractical, unsound, misleading, revolutionary in character, and subversive to sound economics, placing a tool in the hands of the unscrupulous and inexperienced for reckless banking, and knowing further that such a law would weaken our banking system and jeopardize the interest of the people."

Again, in May, 1918, this action was reaffirmed when the American Bankers' Association, through its executive council, opposed

a bill (S. 4426) pending in the Senate which provided for the guaranty of national-bank deposits.

The unfortunate and disastrous experiment with State guaranty laws enacted in eight States during the period from 1908 to 1917, inclusive, well justifies the reasons and predictions set forth in the foregoing resolution.

HISTORY OF STATE LEGISLATION

During the period from 1908 to 1917 the following States enacted guaranty laws which in every case have proved disastrous, because they have tended to demoralize sound banking and accentuated rather than prevented losses to depositors:

Oklahoma	1908
Kansas	1909
Texas	1909
Nebraska	1909
Mississippi	1914
South Dakota	1915
North Dakota	1917
Washington	1917

The disastrous results led to repeal in 1923 of the Oklahoma law; in 1927 of the Texas law; in 1929 of the Kansas, North Dakota, and Washington laws; and in 1930 of the Nebraska law, coupled in the last-named State with the enactment of a depositors' final settlement fund, to be maintained for 10 years by an annual assessment of two-tenths of 1 per cent on average daily deposits. The South Dakota law is still in effect, but it is a complete failure and there is a hopeless deficit. In the last biennial report of the superintendent of banks for South Dakota (June, 1930) it is stated that the legislature of 1927 amended the depositors' guaranty law under which depositors of banks closed subsequent to July 1, 1927, are not entitled to any benefit from the depositors' guaranty fund but only from the individual guaranty fund established by each bank for the protection of its own depositors.

In the remaining State, Mississippi, chapter 22, Laws of 1930, provides for the suspension of the operation of part of the law until the outstanding guaranty certificates are liquidated and at a special session in 1931 a law was passed for the issuing of bonds to raise funds for the payment of guaranty certificates.

Earlier in our history, a century ago, the State of New York made an initial experiment of this nature. In 1829 a bank guaranty law was enacted. Under the operation of this law the guaranty fund became bankrupt in 1837, and the law was repealed in 1842.

Guaranty of deposits having proved a failure under State, it would equally prove a failure under national auspices. It is unfair to sound, well-managed banks, because it makes them contribute to a fund to make good the mistakes of their weaker brethren; and it encourages unsound banking, because there is no need for a depositor, knowing that his deposit is guaranteed, to discriminate between the bank which is carefully and prudently managed and one whose management is not so prudent and which, with a deposit fund more easily augmented because of the guaranty, will make loans and investments regarded as unsafe by the more carefully managed bank. The inevitable result is the failure of an increasing number of mismanaged banks and the ultimate bankruptcy of the guaranty fund.

The late James B. Forgan, of Chicago, pertinently said: "Is there anything in the relations existing between banks and their customers to justify the proposition that in the banking business the good should be taxed to pay for the bad; ability taxed to pay for incompetency; honesty taxed to pay for dishonesty; experience and training taxed to pay for the errors of inexperience and lack of training; and knowledge taxed to pay for the mistakes of ignorance?"

Believing that the compulsory guaranty of bank deposits is unsound in principle, and this having been demonstrated by the experience of nine States, it would seem that before any serious attempt is made to extend the guaranty plan to all the banks in the Federal reserve system a thorough investigation should be made of the operation of the guaranty-fund system and its effect upon the welfare of the banks and of the people in those States which have given it a trial and abolished it.

EXPERIENCES IN STATES

In the limited time available for the preparation of this brief it is impossible to go fully into the unfortunate experiences resulting from the operation of guaranty laws in the States in which they were adopted.

JUDICIAL CONDEMNATION IN SOUTH DAKOTA

The Supreme Court of South Dakota, in State *v.* Smith (234 N. W. Rep. 764), decided January 30, 1931, had before it a case involving the determination of the then situation in that State with reference to the guaranty of deposit law. The court said that any intelligent consideration of the problems presented necessarily required a consideration of the history of the bank guaranty law in the State and of operations thereunder and the present status of conditions pertaining to such law. After reviewing in detail the history of the law, the court reached the following conclusion (Id. p. 781):

"The inescapable facts in this case render necessary the conclusion that the guaranty-fund scheme proved in actual operation, under the conditions which it was required to meet and for whatever reasons, entirely unable to accomplish what was hoped for it. Whatever assets remain in the insolvent banks wherein their deposits were made properly applicable to that purpose will, of course, be received by the petitioners, but we can see no reasonable expectation of their receiving anything from the guaranty fund beyond what is now therein. The facts are harsh, but undoubtedly the quicker they are faced and realized by all concerned and false and specious hopes abandoned the better the situation will be. The guaranty-fund experiment in this, as in other States where it was attempted, has failed completely."

In an article in the Encyclopædia of the Social Sciences (Vol. II, p. 417) on the Guaranty of Bank Deposits, by T. Bruce Robb, the following summary of the experiences in the different States is given:

"The insurance of bank deposits as found in the guaranty laws was designed to reduce loss caused by bank failures. As an insurance system it has little to contribute to the solution of this problem, for the prime function of insurance is to distribute rather than to eliminate loss. Its proponents, who hoped that the feeling of security engendered by the guaranty laws would minimize runs on banks in times of stress, regarded the guaranty scheme as a distinct contribution to banking reform. As such it has been of minor importance. The avoidance of bank failures depends primarily on a thorough system of bank supervision, the insistence on adequate financial resources, and the development of a trained bank management."

DISASTROUS RESULTS IN OKLAHOMA

The following excerpt from an article by Frank J. Wikoff, president Tradesmen's National Bank, Oklahoma City, Okla., published in the Journal of the American Bankers' Association for July, 1923, clearly pictures the disastrous results of the Oklahoma law, which was enacted in part as a political measure and on the theory that while a mutual guaranty by a small number of banks might fail, a large number would succeed on the law of averages:

"Since the passage of the guaranty law in 1907 a total of about 1,000 State banks have been organized. About 450 are now in business, 255 have been nationalized, 125 consolidated with others, about 125 have failed, and about 50 have been liquidated.

"During the period of its existence solvent banks paid into the fund about $3,500,000. There is something over $10,000,000 of unpaid obligations outstanding, for which no warrants have been issued, and about $1,500,000 of outstanding guaranty-fund warrants, which are in the hands chiefly of existing State banks. In some instances national banks are carrying such warrants for State banks, but this is not considerable and usually where there exists some affiliation.

"The law was repealed unconditionally in the closing days of the last legislature. There is approximately $12,000,000 worth of more or less ragged assets in the hands of the board, half of it utterly worthless, the other half worth from 5 to 30 cents on the dollar, if efficient and persistent efforts were made, which is not probable.

"Under unappealed provisions of the law the collections of assets must go to pay outstanding warrants in the order of their issuance. This has been obviated some by keeping a closed bank in the hands of a liquidating agent who applied collections to the payment of the depositors for a certain period. These complications will probably be worked out in a series of lawsuits; the probabilities are the depositors will lose several millions finally, but it is likely that the warrants outstanding will in some way ultimately get paid.

"To sum it up, 15 years' experience with the guaranty of deposits in Oklahoma has cost the honest State bankers and the trustful depositors of the State together nearly $15,000,000; the banking business has been disrupted and in turmoil; two bankers' associations have existed, with their attendant expenses and jealousies; and no appreciable good has come to any interest in the State except to those receiving fees and salaries in connection with its administration.

"It is probably the most expensive effort yet made by a State in which honest people are called upon to prove, at great expense, that the average politician's theories work out to the detriment of everybody but the politician himself."

FAILURE OF SYSTEM IN TEXAS

The absolute failure of the guaranty system in Texas is well pictured in an article by W. A. Philpott, jr., secretary of the Texas Bankers' Association, published in the Journal of the American Bankers' Association for March, 1927. We make the following extracts:

"The Texas Legislature in 1909 passed the guaranty fund act, which became effective on January 1, 1910. It was opposed by practically all the outstanding and far-seeing bankers, both State and National, in Texas at that time. It is interesting at this date to read some of the flaming arguments against the law back in 1909, arguments and prophecies which the years have sustained and fulfilled. But here was the law and all State banks—some 750 of them—were forced into the guaranty-fund plan, or its corollary, the bond system. Only 60 banks became bond banks. Then began the period of wildest promotion, the greatest bank expansion Texas had ever seen. Fortunately there were a number of very strong men in the banking commissioner's chair, else nothing could have stopped the organization of banks. The passage of the law was the signal for every fellow out of a job, whether or not he had banking experience, to open a bank and offer the depositing public the same degree of safety afforded by the old, well-established, conservative banker, with ample capital and seasoned experience.

"Everything ran merrily on with the guaranty fund for the first 10 years. Banks were organized in every town and hamlet until the peak of more than 1,000 banks was reached. Everyone hung out the sign, "Guaranty Fund Bank" and was allowed to advertise the statement that no depositor had ever lost a dollar in a guaranty-fund bank in Texas. From January 1, 1910, to January 1, 1920, some 20 guaranty-fund banks failed in Texas, with a resultant loss to member banks who paid the depositors of only about $1,000,000—not a bad record for 10 years. There were honest and good men who believed in the plan. Bankers of recognized ability insisted that the guaranty-fund system was the greatest piece of constructive legislation ever enacted in the country. They pointed to its record of 10 years. They preached the plan at bankers' conventions. They expanded with pride over the fund's accomplishments and growing importance.

"Then came the depression, the hard times, the deflation, the failures, beginning in 1920. In six years, or up to January 1, 1926, there were 150 failures of guaranty-fund banks in Texas, 52 of which were reorganized by the department without loss to the fund. The good and solvent banks of Texas during that time paid to the depositors of failed banks upward of $17,000,000—and there were many more failures in sight. Guaranty-fund assessments (as much as 2 per cent per year of the average November deposits, the high season) eliminated dividends, consumed surpluses, and in many instances impaired capital stock. Then the State bankers awoke from the beautiful dream which pictures the guaranty fund as a magic wand. Their stockholders began to ask about dividends, and all the sound and conscientious State bankers in Texas lost considerable sleep, giving serious thought to the perplexities and the problems of the guaranty fund. Still more failures, and accentuated assessments loomed ahead. Many of the wiser ones surrendered their State charters, secured national charters, took their loss, and started with a clean slate.

"The cry for relief was so widespread and the pinch so universal that the legislature in 1925 amended the law, permitting State banks to convert to a bond plan—a provision not in the original act—which compelled the bank either to contribute to guaranty fund or to protect its depositors under guaranty-bond provisions. The 1925 amendment provided that a bank could be relieved of guaranty-fund liability by furnishing a bond the size of its capital stock, either a personal or surety bond, to be approved by the commissioner. There was a scramble by the guaranty-fund banks to 'get from under.' Of the 850 guaranty-fund banks at the time, all were quickly converted except 24, whose affairs were too weak to be permitted to change. Before the guaranty fund was repealed by the present new law several of the few remaining fund banks failed and the rest were too weak to stand assessments, so that some time will elapse before the depositors will be paid.

"Since the State banking law was passed in 1905 there have been chartered about 1,500 State banks. Of this number, 850 remain to-day, out from under the guaranty-fund yoke, each standing on its own bottom, each eagerly glad that the past is behind. More than 100 have taken out national charters, the one and only reason being to escape the guaranty fund liability. The guaranty-fund plan in Texas has cost the good, well-managed, and solvent State banks approximately $20,000,000. It's a rather dear experience."

CRITICISM OF SOUTH DAKOTA LAW

The failure of the guaranty law in South Dakota is fully described in an article by E. S. Sparks, dean of the College of Agriculture and Science, University of South Dakota, published in the Journal of the Amewrican Bankers' Association for February, 1927, in which he shows that after 12 years of operation, the guaranty fund system of that State stood as a complete failure. At that time there was a hopeless deficit, growing larger each day; the fund had an annual income of less than $300,000 to meet $50,000,000 indebtedness, and his criticism is that a law of this character is an aid to unsound banking. We make the following extracts:

"A large deficit, growing larger each day marks the present dilemma of the guaranty fund.

"The total receipts under the law from assessments of banks from February 1, 1916, to January 1, 1926, were $3,167,473. Of this amount, $3,068,200 had been used by January 1, 1926, to pay depositors of closed banks, to make readjustments, and to manage failed banks. There had been received back into the fund from the liquidation of assets of failed banks $221,547. This left a balance of $320,820 still unused at the close of the year 1925. If we add to this the assessment income for the year 1926, amounting to $265,907, we have $586,727, and whatever may be realized from the liquidation of the assets of failed banks, to meet the total liabilities of the guaranty fund.

"As to the liabilities, the total is fast approaching the staggering figure of $50,000,000. According to law, this unpaid liability was to be represented by negotiable certificates bearing an annual interest of 5 per cent. Under these conditions we have the interesting situation of an annual income of less than $300,000 trying to pay off an indebtedness of nearly $50,000,000 with an annual income increase of nearly $2,500,000. It is estimated, however, that the liquidation of the assets of failed banks may reduce this from 30 to 50 per cent, but the situation seems to be hopeless, even if the most optimistic estimates are realized.

"On January 1, 1926, this indebtedness was represented by $30,582,140 of certificates of indebtedness outstanding, by $1,901,825 of authorized certificates, and by $10,894,026 of undetermined deposit claims. Total liabilities were $43,377,992 on that date; but due to numerous bank failures during the year 1926, this has increased to nearly $50,000,000.

"Up to March 1, 1923, the guaranty fund was solvent and paid all claims in full, but between March 1, 1923, and March 1, 1924, the number of bank failures was such that payments could not be made in full, and since then payments have been made only on the percentage basis. In cases where banks failed prior to March 1, 1923, and litigation delayed payment from the guaranty fund, the State supreme court now holds that claimants in the cases, if they finally succeed in establishing their claims, are entitled to the same rights as if the claims had been allowed at the time the bank failed.

"In this connection the trend of bank failures is interesting. From 1916 to 1922 the number of State banks increased from 498 to 562 and the average number of banks in suspension at any one time was about 13. But a radical change took place in the biennium from 1922 to 1924. Bank failures during this period increased from 13 to 139, or 126 new bank failures occurred. From 1924 to September 30, 1926, 93 more banks failed, bringing the total to 232 failed banks. This has been increased lately by some 20 bank failures, so that at present about 50 per cent of the State banks of South Dakota have become insolvent, bringing all the disturbed conditions generally prevalent with the breaking down of the credit mechanism.

"One of the biggest indictments of the guaranty law in South Dakota is that it stimulated reckless and irresponsible banking and created an attitude of false security for bank deposits. State banks were allowed to advertise on their windows and in the newspapers that their deposits were guaranteed by the State. Hence the impression grew that State bank deposits were entirely protected and that, if the banks failed, the State would make up the loss. No wide efforts were made on the part of the State banking department to correct this situation and to show that deposits were protected only up to the extent of the guaranty fund, which would prove insufficient in case of numerous bank failures.

"Again, the act became operative during a period of rising prices and great business optimism. Entirely too many banks had been organized and credit became easy and highly speculative. Banks were not properly examined and regulated as to reserves and legitimate loans. Under conditions like these, the guranty law undoubtedly stimulated recklessness in banking. Many citizens of the State now hold that, since people were allowed generally to believe that their deposits were safely protected, the State is morally obligated to make up the loss through taxation, although there is no such obligation in the act itself.

"As was pointed out above, the strong banks have felt that the principle is wrong, since it allows weak banks a competitive advantage which their business does not justify and burdens unjustly conservative banking without eliminating the weakness of unsound banking.

"From the above facts it seems safe to assume that under the recent banking conditions in South Dakota, the guaranty law promoted rather than retarded unsafe and unsound banking. It was especially pernicious in that it failed to focus attention on the individual strength of the local bank itself. It hindered the belief, so fundamental to sound banking, that a banking institution and its liabilities are no more sound than the business practices of its directing bankers."

It is unnecessary to extend this brief by reference to the experiences of the other guaranty law States where like results followed.

IDAHO REJECTED BANK GUARANTY

In 1923 the Governor of Idaho, under authority of the legislature, appointed an Idaho banking code commission to study the banking laws and to recommend a banking code. Among the propositions considered for inclusion in this code was a bank guaranty law.

The report of the commission made to the governor December 8, 1924, recites that: "A candid study of the operations of all of these bank guaranty acts has shown them in the first instance to have misled the public, and ultimately to have proven failures, tending to demoralize sound banking, in the end accentuating rather than preventing losses to depositors."

The report, which recommended that the suggestion for inclusion of a bank guaranty law in the proposed code, be disapproved, summarized the objections as follows:

"(a) In all bank guaranty laws so far enacted a maximum annual assessment has been fixed in order to prevent destruction of the entire system during any severe period of depression. Experience has shown that assessments against the remaining banks sufficient to pay all deposits upon closing of failed institutions would impair the capital stock of the remaining banks to such an extent that they would all close. As a result depositors of failed institutions are not paid upon the failure of banks, and hence the so-called bank guaranty laws do not pay deposits. The total deposits of State banks closed in Idaho since 1919 amount to $4,917,186.26, of which there has been paid to date $365,000, leaving a balance unpaid of $4,552,186.26. The capital stock and surplus of the remaining State banks now in operation total $4,153,339.80. A bank guaranty law which would have paid deposits would have wiped out the entire State banking system of Idaho with its $30,163,147.56 of deposits.

"(b) The future strength of our banking system must depend upon the development of sound, conservative banking and discrimination on the part of the public which will encourage such banking. Bank guaranty laws tend to retard the unsensational process of strengthening the banking system by strict regulation, vigilant public opinion, and strict requirements with regard to

the ability of organizers and the minima of capitalization. A bank guaranty law tends to put all banks on the same plane and there is no special incentive for maintaining the reputation and prestige of a banking institution by careful, conservative banking. In fact, the bank which would depart most from conservative banking practice and assume the greatest speculative risks would be the popular bank and the one enjoying the largest volume of business. Integrity, financial ability, and responsibility form the very essentials of banking, and any effort to supplant such with a bank guaranty law can only invite eventual disaster."

FEDERAL GUARANTY PROPOSAL OF 1918

In 1918 a bill introduced by Senator Shafroth (S. 4426) having the indorsement of the then Comptroller of the Currency, John Skelton Williams, providing for the guaranty of deposits in national banks up to $5,000, was reported favorably by the Committee on Banking and Currency to the Senate. As indicated above, the American Bankers' Association strongly opposed the passage of this bill. Although at that time the unfortunate results of State guaranty laws had not become fully apparent, the bill failed of passage in the Senate because of its unsoundness in principle. In addition to widespread protests from different sections of the country there were strong protests from the clearing-house associations of New York and Chicago, under date of May 9 and 10, 1918, respectively, which are quoted below because they well summarize the reasons why any proposition for the guaranty of deposits of national and member banks by assessments upon all the banks should not be enacted into law.

The protest of the New York Clearing House Association is as follows:

"The undersigned, constituting the entire membership of the New York Clearing House Association, earnestly protest against the enactment into law of Senate bill No. 4426, and desire respectfully to present the following brief expression of their views on the principle and policy of the guaranty of deposits:

"Senate bill 4426, now pending in the United States Senate, puts a premium upon incompetence. It proposes that the Government of the United States guarantee all deposits in national banks of $5,000 and less, and that the Government guarantee up to $5,000 all deposits in excess of that amount; of course, this guaranty is to be made good at the expense of the conservatively managed and successful banks.

"Should such a proposition be enacted into law any national bank, however inexperienced its official managers, however limited its capital resources compared to the field of its activities, however given to risky adventure, however venturesome in buying deposits by paying excessive rates of interest, however wanting in the proven qualities which time and experience have shown to be indispensable to successful bank management, such a bank would, nevertheless, be able to solicit business, truthfully claiming that their deposits were protected as above stated by the combined financial strength of the whole national system. Good banks would thus be compelled to give of their strength to induce the creation of and then to support incompetent rivals.

"Such a proposition is in violation of common justice and common fairness. The stockholders in a bank in one locality would be mulcted in loss to compensate for the mismanagement of banks hundreds or even thousands of miles distant and over which no mutual control or relationship exists.

"Our people should be allowed to exercise wholesome discrimination in the banks they select, as well as in their business activities in general. Individuality and individual initiative are cardinal qualities of success, and these qualities would be impaired if people are to be taught by legislation to rely upon the Government to help them in their ordinary individual transactions and in the exercise of ordinary judgment.

"'The said bill is wrong in principle; it imposes an unjust burden upon conservative bank management, and would exercise a deleterious influence upon every community, should it become law.'"

The protest of the Chicago Clearing House Association is as follows:

"The taxation of the sound and conservatively managed national banks, which form the overwhelming majority, for the benefit of the depositors of the very few, which are unsound and recklessly managed, we consider unjust and inequitable for the following reasons:

"'It proposes to tax good banks to support bad; to penalize honesty, ability, experience, and training to compensate for incompetency, dishonesty, and ignorance; it removes from banking the essential characteristic on which success in the business has been based, viz, the necessity for maintaining reputation for character, prudence, foresight, sagacity, and conservatism. It proposes to place the reckless and speculative banks on the same level with the best managed and the most conservative, which will lead to competition calculated to drag all of them down to the least meritorious.

"'Under the protection of such an act banks by granting their customers accommodations contrary to all sound banking principles and methods would take business away from the sound ones, while to the extent of their contributions to the guaranty fund sound institutions would be required to support the unsound in their recklessness, besides giving them a standing and credit which they could not otherwise obtain.

"'The proposed legislation therefore does not give the honest and well-managed banks a square deal; it places a premium on dishonest and reckless banking and will go far to destroy the incentive of banks and bankers to establish for themselves a good name and reputation in their various communities.'"

PROMOTION OF RECKLESS BANKING

There is abundant evidence that the tendency of guaranty laws in the past has been to increase the number of banks far beyond needed requirements, and beyond the number that would produce a profit to the stockholders, and that such laws invite the establishment of banks by irresponsible and unexperienced men who will advertise that deposits of their institutions are secured by the guaranty fund.

A pamphlet issued by Daniel W. Hogan of Oklahoma City in 1908 contains numerous illustrations of such a tendency. For example, shortly after the enactment of the Oklahoma law, application was made to the bank commissioner to start a fourth bank at Prague, a town of 249 people. The bank commissioner refused the application on the ground that there were too many banks. The applicants appealed to the district court, and an opinion was handed down that the banking board had no right to refuse a charter to applicants for a State bank; that the fact that other banks of the town objected, or that an objection was raised on the grounds that the applicant was inexperienced in the banking business, was not a matter for the board to consider, but that they were compelled under the law to issue a charter to any corporation seeking one as long as the papers were properly executed.

Another instance cited by Mr. Hogan: The president of a national bank was also a merchant and failed in business and was compelled to go through bankruptcy. Naturally he had to resign his connection with the national bank. He thereupon took out a charter and became president of a State bank in Oklahoma.

In another case, a man, when prohibition closed up his saloon, relinquished that business and started up a bank and, because of the protection to depositors given by the guaranty law, was able to secure in a short time between $30,000 to $40,000 of deposits.

The above is merely illustrative of hundreds of similar instances which could be established by testimony in any investigation of the results of the operation of State guaranty laws by reckless operators of banks which have, through glaring advertisements, invited deposits at a high rate of interest emphasizing the fact: "Your deposits are guaranteed by the State."

We have attempted in the foregoing to set forth sufficient facts and experiences growing out of the operation of State guaranty systems, to demonstrate that such systems have proved failures and highly disastrous; that they do not protect depositors, but have a tendency to promote unsound banking.

FEDERAL GUARANTY WILL NOT PROTECT

The argument has been made that the breakdown of State guaranty systems does not necessarily mean that an enlarged Federal system covering the whole country with a sufficiently large fund to guarantee the deposits in member banks and embracing a wider distribution of risks, would not effectually protect depositors. Aside from the unfairness of penalizing good banks to make good the losses of bad banks, it is respectfully submitted that no such system of Federal guaranty, as comprehended by the Steagall bill, would ultimately survive.

The fundamental plan of the Steagall bill is the same as that of the former Oklahoma and other systems—the creation of a guaranty fund by uniform assessment upon all the banks out of which to pay the depositors of those banks in the system which fail. It is virtually an insurance plan, but not based upon sound principles of insurance. An insurance plan, to be successful, must be based upon an analysis and thorough study of the risks involved; there must be a classification of risks and gradation of premium rates according to the character of the risk. A high risk involves a correspondingly high premium and there are some risks so bad as to be ineligible for insurance. Under the proposed Federal guaranty plan there is no classification of risks nor gradation of rates.

Notwithstanding banks in certain sections of the country, based on past experience, are more likely to fail than banks in other sections, all are compelled to contribute equally to the insurance fund. The inevitable result of such a plan of assessment would be that the banks, unduly discriminated against in the matter of rates, would leave the system, for the premiums or enforced contributions are not in due proportion to the risk. Under this proposed law the stockholder of one bank would have nothing to say about the location of other banks; no voice in determining how much capital shall be invested in any particular locality nor in the selection of the board of directors or officers; no right to examine its books nor familiarize himself with its operations and no share in its profits. Nevertheless he would be subjected to a charge for payment, pro rata, of its debts; for the purpose of liability only, but not for profit, he would be made a stockholder of every member bank in the Federal reserve system. How long would such a system continue?

We firmly maintain that no ultimate beneficial results to depositors would follow the enactment of a Federal guaranty law because the principle is wrong and, even under national auspices and no matter how well supervised, the tendency would be to open the door to the reckless and incompetent to establish banks and to speculate with the money of depositors which they would not receive but for the guaranty. We believe that no such system could long survive, for it would encourage the increase of bad banking at the expense of good banking, and ultimately result in the collapse of the banking structure. Aside from this, there is the unfairness of compelling a sound, well-managed bank whose depositors need no protection to contribute to a fund for the

protection of the depositors of the unsound, poorly managed bank. Well may the country banker in a small village who has earned and deserves the confidence of the depositors in his bank, complain should he be compelled to contribute to a fund from which would be paid the depositors of a large institution in a distant city which, through mismanagement or worse, has been closed by the authorities.

IN CONCLUSION

The purpose of legislation of this character is to insure to the depositor the safety of his deposit. Under true principles of insurance each voluntary participant contributes commensurately with the risk; the greater the risk, the more he pays. The proposition for Federal guaranty, as has been the case with past State guaranty systems, would deviate from this true principle by seeking to establish a compulsory insurance system in which the good risk is compelled to contribute equally with the bad.

We respectfully submit that the safety of the depositor will not be ultimately secured by any such system but that the object can best be accomplished by effective supervision to insure sound bank management.

Appended is a summary of Title II, H. R. 10241, with comment upon the effect of the guaranty of deposit provisions.

FOR THE AMERICAN BANKERS ASSOCIATION,
THOMAS B. PATON, *General Counsel.*

Mr. McFADDEN. Mr. Chairman, I yield 10 minutes to the gentleman from New York [Mr. CELLER].

Mr. CELLER. Mr. Chairman, I incline to opposition to this bill primarily because of the disastrous consequences that have resulted in all States that have tried bank deposit guaranties. I am opposed to it also because it places an immediate burden upon the taxpayers of the Nation of $150,000,000. Third, I am opposed to it because this appears to me to be an attempt to place the burden of supplying the resources for this guaranty fund upon the larger States, upon my State of New York, upon New Jersey, upon Pennsylvania, whereas the smaller States would contribute hardly anything to the fund, as will be seen from the very interesting data which I have just compiled from data furnished by the Federal Reserve Board.

We tried this scheme of deposits guaranty in New York State back in 1829. The fund became bankrupt in 1837, and the law, as far as New York State was concerned, was abolished in 1842.

Time will not permit me to go into the dismal failure of that statute in my State, but following the lead of New York State, other States adopted this guaranty of bank deposits. Oklahoma adopted it in 1908 and repealed it in 1923. Kansas adopted it in 1909, as did Texas and Nebraska. Texas repealed in 1927, Kansas in 1929. In 1914 Mississippi adopted it. In 1915 South Dakota adopted it, in 1917 North Dakota and Washington. North Dakota and Washington repealed in 1929.

Nebraska was compelled to repeal the statute in 1930, when it sought to liquidate the guaranty fund by the enactment of a depositors' final settlement fund, which is to be maintained for 10 years by an annual assessment of two-tenths of 1 per cent on the average daily deposit of all Nebraska banks.

The banks in Nebraska have complained bitterly about the statute. In the beginning some of the banks were in favor of the statute; others bitterly opposed it. The latter class felt that there was a taking away from the security of the depositors in going banks in order to pay depositors in failed banks.

As time went on, the assessments against the banks grew in amount. Many banks had failed; the guaranty did not save any bank from failing.

The United States Supreme Court, in the case of Abie State Bank against Bryan, Two hundred and eighty-second United States Reports, at page 770, gives a history of the situation in which it indicates the oppressive features of this plan upon the going banks.

The district court reviewed the results of the operations of the banks in Nebraska under the bank guaranty law. It appeared that there were 1,012 banks in the State (of Nebraska) in November, 1920, and that the number had been reduced to 726 in December, 1928; that these banks had a total capital of $19,001,000 and a total capital and surplus of $24,958,557.62; that for the period of 18 months preceding June 30, 1928, 750 banks had net earnings and 156 had net deficits; that the total net earnings of both groups for that period amounted to $1,935,519.40, or 7.9 per cent of the total capital and surplus; that during the same period these banks had paid into the depositors' guaranty fund $2,412,324.78, more than the earnings. It also appeared from the testimony of the secretary of the guaranty fund commission (as stated by the supreme court of the State) that up to December 31, 1928, 269 State banks had been closed by the State and placed in the hands of the commission, and that the total amount of the adjudicated claims was $10,536,518.59, exclusive of interest; and that in 72 State banks, then being operated as going concerns, the amount due depositors was $13,726,441.26, and the total amount due depositors in banks which were in receiverships but whose claims were not yet adjudicated was $2,133,627.54. The total claims, including both claims adjudicated and those not adjudicated, or then existing liabilities against the guaranty fund, amounted to $26,400,282.76, and the total amount of assets to be realized would be $10,451,932.65, leaving a deficit of $15,948,350.11. The court concluded that "fully two-thirds of the banks under the existing financial conditions are unable, after paying assessments amounting to 8 per cent of their capital, to pay compensatory dividends," and that the bank guaranty law, as originally conceived, was "no longer serving its purposes."

In South Dakota, the law is still in effect, and there is a hopeless deficit which is constantly growing greater. In the remaining State, Mississippi, chapter 22 of the Laws of 1920 suspends the operations of part of the bank guaranty law until the outstanding guaranty certificates are liquidated; and at a special session of the Legislature of Mississippi last year, a law was adopted providing for the issuing of bonds to raise funds for the payment of guaranty certificates.

Thus, the general treasury is called upon to pay this deficit. The rank and file of the taxpayers of Mississippi are now asked to come to the rescue of those citizens who happened to be depositors in these unfortunate banks.

The gentleman from Alabama [Mr. STEAGALL] said there was to be a payment of $150,000,000 by the Treasury into this guaranty fund. That is actually so; but where is that money coming from? It was paid originally out of the Federal reserve system to the Treasury for franchise taxes; but the money is no longer there, and it can not be said that the Federal reserve system is paying for it. It was paid. The money is now gone. It will have to be replenished. Who will pay for it? The taxpayers of the United States will have to pay for it. They will have to pay for it at the very moment when we are trying—with the whole country anxiously waiting—to balance our Budget; and instead of reducing expenditures of Government we are actually increasing expenditures of Government by compelling the Treasury to pay out $150,000,000 to this guaranty fund. We thus increase our staggering deficit by $150,000,000.

Mr. STEVENSON. Will the gentleman yield?

Mr. CELLER. I yield.

Mr. STEVENSON. The gentleman asserts very positively that that money is gone. The act under which it was paid in provides that it be either paid into the sinking fund for the retirement of the war debt or applied to the war debt. Has the gentleman any figures or information to show that it has actually been paid?

Mr. CELLER. Yes. I have before me the hearings where the gentleman and his colleagues examined the Comptroller of the Currency, and he stated exactly those words—that the money will have to be obtained somewhere; it is not in the Treasury, and the taxpayers of the Nation would have to pay it. I believe we can rely upon the Comptroller of the Currency. How or why or when it was paid in is immaterial. It is not there. Only taxes can replace it.

Mr. STEAGALL. I may say to the gentleman the Comptroller of the Currency sent to this Capitol, and it has been introduced as an administration measure, a bill which provides for loans upon the assets of closed banks that takes this identical fund out of the Treasury.

Mr. CELLER. I do not care what other bill does this, that, or the other thing. We are considering this bill, and if it is wrong to do it in this bill, as I conceive it, it is wrong to do it in any other bill, although the other bill refers to "closed" banks. I am opposed to adding any more burden at this time to that which the taxpayers of this Nation already carry.

The total amount of the deposits in the member banks of the reserve system as of December 31, 1931, was $27,-

432,000,000. That is exclusive of what is known as interbank balances. If we add interbank balances, the total amount of deposits in the member banks was $30,746,386,000.

The bill provides that the amount of the contribution of each member bank shall be proportionate to the ratio of its deposits to the total deposits of all members in the system. How will this affect the various states? What contribution will have to be paid by the banks in my State, for example, to this common fund? Let us see.

The instant bill provides that the Federal guaranty fund for deposits in member banks shall be made up of—

First. The direct payment by the Treasury into the fund of $100,000,000.

Second. One hundred and fifty million dollars shall be paid out of the surplus of the Federal reserve banks.

Third. The Federal bank liquidating board shall also require payment into the fund by the member banks of the Federal reserve system of such amount (not to exceed $100,000,000) as may be fixed by the board, of which each such bank shall pay an amount which bears the same ratio to the sum fixed by the board as the average deposits of such bank during the preceding calendar year bear to the average deposits of all member banks during the preceding calendar year.

Fourth. Any time after 12 months, if additional sums are required, the member banks shall be assessed and shall pay an additional $100,000,000, according to their proportion of deposits.

I have prepared a table of the proportion that each State would be assessed and required to pay according to this plan.

I have taken the deposits of member banks and split up the total according to States and deducted the percentage of funds each State must contribute to the guaranty fund. Banks who are not members of the Federal reserve system are not considered, because the yardstick of contribution to the fund is amount of deposits of member banks.

	Deposits, member banks	
	Amount	Ratio
Northeastern States:		
Maine	$118,776,000	0.4
New Hampshire	63,027,000	.2
Vermont	54,451,000	.2
Massachusetts	1,406,128	4.6
Rhode Island	284,012	.9
Connecticut	261,066	.8
Middle Atlantic States:		
New York	9,625,430	31.3
New Jersey	1,304,397	4.2
Pennsylvania	3,057,403	9.9
East North Central States:		
Ohio	1,520,050,000	4.9
Indiana	347,316,000	1.1
Illinois	2,126,584,000	6.9
Michigan	1,177,218,000	3.8
Wisconsin	449,579,000	1.5
West North Central States:		
Minnesota	541,733,000	1.8
Iowa	247,791,000	.8
Missouri	814,090,000	2.6
North Dakota	57,737,000	.2
South Dakota	57,724,000	.2
Nebraska	178,496,000	.6
Kansas	183,688,000	.6
South Atlantic States:		
Delaware	613,840,000	.2
Maryland	282,445,000	.9
District of Columbia	145,346,000	.5
Virginia	303,133,000	1.0
West Virginia	147,696,000	.5
North Carolina	126,640,000	.4
South Carolina	58,749,000	.2
Georgia	220,678,000	.7
Florida	144,777,000	.5
East South Central States:		
Kentucky	201,231,000	.7
Tennessee	231,741,000	.8
Alabama	163,156,000	.5
Mississippi	46,658,000	.2
West South Central States:		
Arkansas	73,326,000	.2
Louisiana	231,253,000	.8
Oklahoma	260,632,000	.8
Texas	718,409,000	2.3
Mountain States:		
Montana	97,789,000	.3
Idaho	43,178,000	.1
Wyoming	33,041,000	.1
Colorado	225,693,000	.2
New Mexico	25,551,000	.1
Arizona	33,294,000	.1
Utah	81,804,000	.3
Nevada	16,696,000	.1
Pacific States:		
Washington	$281,276,000	0.9
Oregon	185,991,000	.6
California	2,448,141,000	8.0

New York, I will say to the Members from New York who may be present in the Chamber, will be compelled to contribute over 31.3 per cent of the entire fund. New Jersey will contribute 4.2 per cent; Pennsylvania will contribute 9.9 per cent; Ohio will contribute 4.9 per cent; Illinois will contribute 6.9 per cent; Michigan will contribute 3.8 per cent; Mississippi will contribute 2 per cent; Kansas will contribute only six-tenths of 1 per cent.

Mr. STRONG of Kansas. That is the reason I am for the bill and the gentleman is not.

Mr. CELLER. Naturally, and that is why I am against it and why I want to bring the facts out so that Members from the various States can see how much they will have to contribute to the common fund.

Mr. LAGUARDIA. Will the gentleman yield?

Mr. CELLER. I yield.

Mr. LAGUARDIA. However, their liability is proportionate.

Mr. CELLER. Of course, the liability is proportionate; there is no doubt about that. But, of course, I do not blame the gentleman from Kansas for wanting this. His banks pay only six-tenths of 1 per cent to the fund. Why New Yorkers will vote for the bill is beyond me. New York will pay the piper to the extent of almost one-third of the total.

North Carolina will contribute four-tenths of 1 per cent; South Carolina, two-tenths of 1 per cent; Georgia, seven-tenths of 1 per cent; Florida, one-half of 1 per cent; Alabama, one-half of 1 per cent; Mississippi, two-tenths of 1 per cent; Arkansas, two-tenths of 1 per cent; Oklahoma, eight-tenths of 1 per cent; Texas, 2.3 per cent; Idaho, one-tenth of 1 per cent; Colorado, two-tenths of 1 per cent; California, 8 per cent; Nebraska, six-tenths of 1 per cent, and so on.

I maintain, Mr. Chairman, that by a perusal of these percentages the conclusion is readily reached that it is highly unfair to place this entire burden upon a few States for the benefit of all the other States; and that is why, when it comes to voting on this bill, I shall be unalterably opposed to it.

Mr. VINSON of Georgia. Will the gentleman yield?

Mr. CELLER. I yield.

Mr. VINSON of Georgia. Right in that connection what was the contribution of the banks under the State laws which you say have failed?

Mr. CELLER. I shall be pleased to put data of those States in the record. I will put in my remarks a detailed statement of the statutes of each of the eight States that have adopted the guaranty plan.

[Here the gavel fell.]

Mr. CELLER. Mr. Chairman, I ask unanimous consent to revise and extend my remarks.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. CELLER. I herewith insert some detailed experiences of some of the States that tried this fantastic scheme.

NORTH DAKOTA

In our State a body of disgruntled radicals obtained political control of the State. They have done anything and everything that could be done to cripple the banking structure of the State. Where a banker would not agree with their political views a few of them would get together and organize a new bank in order to punish the banker opposing their political policies. Encouragement was given by the banking department and the governor to do this and the whole banking structure was weakened to an extent that when bank troubles developed over 300 small banks failed; and while there were only a few failures of larger banks, it was to be expected, of course, that failure of so many small banks

would pull down a few of the weak, larger banks. (W. C. MacFadden, secretary of North Dakota Bankers Association. Letter of December 14, 1926.)

OKLAHOMA

It is my judgment that any law which seeks to guarantee deposits in banks is fundamentally unsound, as it places a premium on incompetence, if not actual crookedness, and opens up a field which presents temptations to the unscrupulous politician. In this State it resulted in the granting of charters promiscuously and in many instances charters were granted to inexperienced and incompetent parties. I do not assume that the inside story of the manner in which the depositors' guaranty fund in the State of Oklahoma was handled will ever be revealed, and the only good that could come from a revelation of that kind would be merely as a warning to other States which contemplate adopting a law of that kind. (O. B. Mothersead, Oklahoma State bank commissioner.)

TEXAS

* * * Many bankers have engaged in reckless and unsafe business methods of banking, upon the theory that if their banks should get into trouble the guaranty fund would come along and contribute enough fresh capital to absorb their losses. A number of dishonest bankers have systematically stolen from their banks year after year and used the funds for personal transactions and speculative deals, knowing that if their banks failed the guaranty fund would pay the depositors and there would be no demand on the part of the depositors that these dishonest officials be punished. No stretch of the imagination is required to assert that the guaranty fund as it has been administered in Texas has been a constant premium upon dishonesty and criminal recklessness and carelessness in the management of some of the banks.—Extract from "Our State Banking System," an address by Charles O. Austin, Texas commissioner of banking.

Professor McCahan, of the University of Pennsylvania, in the book, State Insurance, summarizes the causes of the failures of these State funds as follows:

The immediate cause of the disastrous losses experienced by the funds in recent years was the deflation period following upon the heels of the war boom. As a result of it, banks all over the country were hard hit, but particularly those in the agricultural belt. Many financial institutions failed and carried others down with them. Banks belonging to guaranty funds were no exception. The fund may have had some virtue in preventing a "run" upon an individual bank occasioned by lack of confidence, but it was not adequate to cope with a period of rapidly falling prices and business stagnation.

Inability of most funds to withstand the heavy financial drains upon them during this time may be traced to a number of underlying factors. Principal among these were:

1. Too great concentration of risk: These funds, for the most part, were located in States primarily agricultural. Any influences affecting crop prices were necessarily transmitted to them. Losses were accordingly very much heavier than in the country as a whole. To illustrate, for the 10-year period 1917–1926, losses of the funds from failures averaged over 2 per cent of guaranteed deposits in North Dakota and South Dakota, whereas for the entire United States the liabilities (not just those to depositors) of all failed State banks, without deduction for possible salvage of assets, averaged approximately six-tenths of 1 per cent of total individual deposits.

2. Low assessment rates: The maximum assessment rates collectible in five States did not exceed one-fourth of 1 per cent, and in three of these—Kansas, Mississippi, and Washington—only a regular levy of one-twentieth of 1 per cent was collected for a number of years, so an adequate reserve was not created. Nor were the fixed rates of one-fifth of 1 per cent in Oklahoma (subsequent to 1916) and one-fourth of 1 per cent in South Dakota enough to produce an emergency surplus of any consequence. The test in Washington came early and found that fund unprepared as respects surplus. Even its more liberal assessment privilege proved insufficient. Had it not been for the special assessment privileges possessed by the Nebraska and Texas funds, their experience would have been the same as that of others.

3. Inadequate reserves: Bank failures traceable to economic conditions necessarily tend to be concentrated in a period when all business is depressed. Their effect, accordingly, is more disastrous. Since it is the goal of a bank guaranty fund to avert this sudden shock and distribute its force over a period of years, a substantial reserve must be on hand. Time has demonstrated that the maximum limits placed upon the size of these funds were too low and the means of building them up inadequate.

4. Poor underwriting selection and supervision of risks: All going banks were covered by the compulsory funds and membership in the optional ones was not diffcult of attainment. No attempt was made to proportion the rate charged to the hazard presented. It is claimed that insurance of the risk made the public more careless as to the choice of their depositories. All banks appeared to be on the same plane as regards safety, and the necessity for discriminating with respect to the character, ability, and experience of the banker was less pronounced. It is contended new banks could more easily secure deposits and recklessness was encouraged. More rigid and extensive supervision was needed than ever before, but unfortunately this did not keep pace with the problems presented by the guaranty system. Some assert political influence played a large part in determining whether or not a bank should be closed. Certain it is that the standards of membership were not maintained at the high level necessary for success.

5. Maximum salvage not obtained: In case an insolvent bank is taken over immediately and its affairs administered by competent men, the loss to depositors may be kept low. If left to run after it should be closed or if improperly handled, realization on assets may fall and expenses mount. It is impossible to ascertain the exact efficiency of various funds in keeping their losses down by this means, but there is considerable evidence to the effect they have not always exerted every effort or used the best means to keep losses at a minimum.

IOWA

We would also call attention to the experience of the Iowa State public deposit guaranty fund created in 1925.

According to Professor McCahan:

From August 1, 1925 (when the fund began operations), until January 2, 1928, the fund received in diverted interest $3,895,533 and in dividends from failed banks $2,137,046, making a total of $6,032,579. One thousand one hundred and seventy-four claims were approved and certified for payment during this time, having an aggregate value of $9,421,899. In order to meet these liabilities, $6,000,000 of anticipatory interest-bearing warrants were issued, of which approximately two and one-half millions have been retired. The maximum rate of interest has been diverted ever since the inception of this fund, but its net deficit, owing to excessively heavy losses, is still about three and a half million dollars.

According to information recently received, it would appear that at the present time the Iowa State depository fund has a deficit of approximately $13,000,000.

There seems to be united opposition on the part of the American Bankers Association, as well as the New York Bankers Association.

One financial writer writes very succinctly as follows:

Since the above bill requires that the depository fund will be established and supported by assessments against the banks whose deposits are to be guaranteed, it must logically follow that the banks must recover this assessment in some way, and the logical way will be to reduce the interest payable on public and private accounts so that the expense of maintaining the fund eventually will fall on the depositors.

The above bill will result in the strong banks who do not need its protection being taxed for the benefit of weak banks. Furthermore, the fund will place a premium on lack of conservatism in the operation of banks.

Because the fund requires only members of the Federal reserve system to join the fund, such banks will be placed in an unfair competitive position as compared with nonmember banks and will doubtless force out of business smaller banks which can not afford or can not qualify for membership in the fund.

Mr. McFADDEN. Mr. Chairman, I yield five minutes to the gentleman from Pennsylvania [Mr. STOKES].

Mr. STOKES. Mr. Chairman, this is a bill to amend the national banking act and the Federal reserve act, and to provide a guaranty fund for depositors in banks.

I think we are all agreed that we want to help the bank depositor and the banks, but the question, as I see it, is how are we to do it along sound economic lines?

One of the principal causes of bank failures undoubtedly has been the period of unsettlement through which we have passed. When this period passes away bank failures will automatically cease.

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

Mr. STOKES. I yield.

Mr. GARBER. It has been suggested in an inquiry that the cause of failures of banks is the withdrawal of deposits. This may have been a contributing factor, but the main factor in the failure of the banks in this country has been the shrinkage in values, and the holding of frozen assets instead of the withdrawal of deposits.

Mr. STOKES. The American people have deposited some $47,000,000,000 in the savings banks of the country. Savings banks are not included in the bill, and I do not think they want to be. How will it affect them? This bill, as I understand it, has not been approved by the Treasury Department, or by most of the large banks, because the large banks do not feel that they need to have their deposits guaranteed. However, a good many of the small banks would like to have it, but not all of them, because in order to join the Federal reserve system they have to deposit a good deal of their money, and they may have use for that money for other purposes.

The bill removes the incentive of banks to show good management and build up good reputations. Besides, it sterilizes a certain amount of Federal reserve funds which

must be laid aside to protect this guaranty which they are giving instead of letting it be used for other very useful purposes.

If the Federal reserve system desires to protect any of its member banks, it can do so by lending them money when an emergency arises.

The House a few months ago voted to appropriate large sums of Government money toward funding the Reconstruction Finance Corporation, which provides emergency financing facilities for financial institutions. Why not give this a chance to function and see how it works out?

General Dawes reported recently that in the period from February 2, the first day of its operation, to April 19, inclusive, the Reconstruction Finance Corporation has authorized loans to 1,520 banks and trust companies in the United States in the amount of $243,000,000, of which amount $10,000,000 has already been repaid.

The evidence of the effectiveness of its work is found in the fact that in the 71 days which preceded February 2, 756 banks, with $521,000,000 deposits, suspended in the United States; while in the 71 days from February 2, when the Reconstruction Finance Corporation started its operations, to April 12, there suspended in this country only 182 banks, less than one-fourth as many as in the preceding 71 days. As a matter of fact, however, the bulk of the bank loans in number and amount has gone to the small banks. The figures covering the period from February 2 to April 12 show that 69.2 per cent of the banks which have borrowed money from the Reconstruction Finance Corporation are located in towns of less than 5,000 population and 84.6 per cent of the borrowing banks are located in towns of 25,000 population or less. [Applause.]

The Bank of the United States, which was founded by Hamilton, was supported by the Government through the deposit of money, but there was no Government guarantee.

In fact, its capital was subscribed for by a large public body of stockholders.

Secretary of the Treasury Chase, during the critical Civil War period, when there were many bank failures, did not recommend a Government guarantee, because it is a dangerous centralization of power in the Federal Government.

One of the most successful and efficient banks in the history of the world is the Bank of England, incorporated in 1694 under the title it still bears, "The Governor and Company of the Bank of England."

One of the Federal Reserve governors submitted the following statement:

> Experience in the various States that have tried out plans of this sort has been uniformly unfavorable. All such plans have broken down.
>
> The natural effect of such legislation is to encourage risky and speculative banking by relieving bank officers and directors of their personal responsibility for the safety of deposits.
>
> Moreover, it compels provident and conservative bankers to pay the losses incurred by improvident and speculative bankers.

[Here the gavel fell.]

Mr. STEVENSON. Mr. Chairman, I yield five minutes to the gentleman from Tennessee [Mr. TAYLOR].

Mr. TAYLOR of Tennessee. Mr. Chairman and members of the committee, in my opinion the legislation proposed to guarantee bank deposits is the most important legislation that has been presented to the Seventy-second Congress.

In my humble judgment, no act of Congress would do more to restore confidence, bring to the light and into circulation the hoarded millions, and accelerate economic recovery in this country than the enactment of the legislation before us to-day.

I shall not attempt to discuss the technical mechanics of this proposed legislation, because there are a number of experienced bankers on the committee which reported this bill as well as others of banking experience, who will analyze the mechanical details. My remarks will be confined largely to the human-welfare side of the proposal.

During the past two years we have witnessed a carnival of bank failures in this country unparalleled and appalling. And following in the dismal and desolate wake of the wreckage has trailed a grim and ghastly procession of human distress, suicides, and unutterable anguish that is fearful indeed to contemplate. In my own fair State of Tennessee, in addition to the untold human misery incident to the failure of banking institutions, there have been, I am informed, seven suicides directly attributable to bank failures. Men and women who, after years of toil, had fancied they had laid up in bank a competency to provide for them in the evening of life, discovered to their dismay and horror that this security against the helplessness of old age had almost in an instant been swept away by the failure of some bank in which they had confidently placed their trust. Working men and women, in the shops and factories, over washtub and scrubbing brush, suddenly saw wiped out the savings which they had coined out of their sweat and blood and tears. Little children who had saved their pennies and, with childlike trust and simplicity, deposited them in savings banks were likewise the innocent victims of this orgy of defalcation. Thus thousands of our citizens were reduced to penury and poverty and often to desperation. Some sought solace in suicide of one form or another, while others, broken in spirit and health, are merely existing, supported by the sympathy and charity of relatives and friends. It would be difficult to estimate the number of deaths directly and indirectly resulting from bank failures during the past two years. Of course, it would be utter folly to attempt to describe the mental anguish and agony into the vortex of which thousands, yea hundreds of thousands, of our citizens have been precipitated by this epidemic of financial disorder that has swept our Nation like a terrible tornado during the past two years.

Something must be done to restore the confidence of the country in our banking institutions. Everybody concedes that there is something radically wrong with the system and agrees that it must be overhauled and safeguarded before the people will patronize it again. In the face of what has occurred during the past two years, who can blame the public for its lack of confidence in our banking systems both national and State? Who can censure the man who withholds or withdraws his money from banks and hoards and secretes it where he knows he can find it when he needs it? Until the time comes when our people can deposit their money in banks with the absolute assurance that when it is called for it will be available without question, our people will continue to hoard, and no one can blame them.

In 1930, 1,345 banks suspended operation in this country, with an aggregate of deposits of $864,715,000. One hundred and sixty-one of them were national banks, 26 State institutions with membership in the Federal reserve system, and 1,158 non-Federal reserve. In 1931 there were 2,298 bank failures divided as follows: 409 national, 108 Federal reserve State members, and 1,781 non-Federal reserve.

Mr. Chairman, I can remember when there was supposed to be something sacrosanct about the title "national bank." The people of this country had been educated to believe that somehow and in some way Uncle Sam was back of them. These banks would qualify as Federal depositories and would advertise that fact and thereby the public was led to believe that the resources of the Federal Government guaranteed their stability. But alas, during the last few years this halo has been dissipated and the great American public has been sadly disillusioned. In the face of the revelations of the past few years we now know that the title "national bank" is more or less a misnomer and in many instances has been a hollow mockery. [Applause.]

The Seventy-second Congress has already passed some very beneficial legislation, such as the Reconstruction Finance Corporation bill, but it has not gone far enough. The $2,000,000,000 refinancing measure has practically stopped bank failures, but the spirit of this legislation has not been carried out. The intent of Congress in passing this measure was to stabilize our banks and at the same time liquefy their assets so that they could extend credit to the business interests of the country. However, it is my information that it is just as difficult to obtain credit from banks—even those enjoying the benefits of this two billion Government loan—to-day as it was before the creation of

the Refinancing Corporation. It is openly charged that the greatest hoarders to-day are the banks themselves. It is charged that, with their vaults bulging with money, they stubbornly refuse to loan even on gilt-edged security. This, my colleagues, is another serious indictment against our present banking system.

Mr. Chairman, I am advised that from the smaller cities and towns throughout the Nation the idea of guaranty of bank deposits is enthusiastically acclaimed, and that the opposition to the proposition comes from the metropolitan centers. This is easily understood, for if deposits in all banks were guaranteed, there would, of course, be no choice as to safety, irrespective of the location of the bank. Money deposited in small cities, towns, and rural sections would be just as safe as money deposited in the large banks of the metropolitan center. Furthermore, any plan of this nature would of necessity diminish the amount of money that is daily being poured into New York, Chicago, and other large cities from the smaller communities. Great chain concerns rarely leave any money on deposit in the communities where they operate, but send it daily or weekly to the metropolitan banks. If all banks enjoyed Government protection to depositors, vast sums of money would remain in the local centers where it originates and where it could be used for the upbuilding of the local communities.

Such measures as the Reconstruction Finance Corporation and the Glass-Steagall Federal reserve bills are beginning to make inroads on the depression, but it can not be denied that they are only of a temporary nature. In talking and corresponding with bankers throughout the Nation, as well as feeling the pulse of the general public, it is the consensus of opinion that nothing short of a governmental guaranty of deposits will completely restore public confidence in the financial structure, on which rests to a large degree the revival of business and the termination of the present depression. Much of the opposition advanced is based upon the belief that if deposits were guaranteed it would cause poor banking, but in my judgment it would have the opposite effect. I am of the opinion that a Federal banking commission, functioning along the lines of the Interstate Commerce Commission, could beyond question control weak or unsound banking methods.

The Federal reserve banks, as you know, are owned entirely by the member banks, and I feel quite sure that the member banks would be perfectly willing to forego the small 6 per cent dividend they receive on their stock and permit this money to be set up in a guaranty fund. Furthermore, I believe the banks, as sole owners of the Federal reserve system, should have some voice as to what disposition is made of the balance of the earning. Under our present system all earnings now in excess of dividend and surplus requirements are paid over to the Government as an excise tax. Since 1913 and including 1930 the Federal reserve banks have paid out in dividends $275,136,225, and after dividends to stockholders and contributions to surplus have been made during that period $147,126,822 has been paid to the Government, making a total of $422,263,047 that could have been allocated to a guaranty fund. Had this been done, it would have more than paid all of the losses sustained by depositors in member banks.

I am advised by the American Bankers Association, of New York City, that 61.6 per cent of loans and 61 per cent of deposits are in member banks of the Federal reserve system and 38 per cent of loans and 39 per cent of deposits in nonmember banks. Comptroller Pole, at hearings before the House Committee on Banking and Currency, stated that in 815 national banks, which had been liquidated since 1865, general creditors were paid 70 per cent, and that if preferred and secured claims were included, the average was 79 per cent. You can easily see that, after all, the ultimate loss by depositors in insolvent banks is really small compared to losses sustained in any other kind of business.

In a rather lengthy communication from Hon. Newton D. Baker to a correspondent of mine the former Cabinet officer says:

My own feeling has for a long time been that the first step in this matter must be to require all banks in the country to become members of the Federal reserve system. Mr. Collins, of Washington, whom you, perhaps, know, has recently examined the legal aspects of the suggestion and finds adequate power in the Federal Government under the Constitution to make such a requirement. If that can be done I have no doubt that it would be possible to erect out of the earnings of the system by some process such as you have worked out a fund which would be a sufficient cushion to start the general project of guaranteeing deposits, and I can think of nothing more stabilizing or just than to have a banking system in which the depositor felt that he was as secure as the Government itself.

I believe it would be unfair and would probably invoke much opposition from State banking institutions everywhere to discriminate in any guaranty fund between national and State banks. It occurs to me that it would be a simple process to compel by act of Congress all banks of deposit to become members of the Federal reserve system, and thereby not interfere with the dual system of banking under which we now operate. This plan would not greatly interfere with the individual freedom of banks in the conduct of their business, but would bring them all under one central system required by a few amendments to the Federal reserve act.

I am of the opinion that with a Federal banking commission, properly selected and composed of trained men, including lawyers, bankers, and probably others, unsound banking could be controlled. Unfortunately, the Comptroller of the Currency has little or no power to correct unsound banking. His examiners can only criticize. If the criticisms of the examiners are not respected, the comptroller can only bring suit for the forfeiture of the offending bank's charter, and this would defeat the very purpose of his office in keeping banks open, providing no protection for depositors.

It is my thought that the Federal banking commission should have power to issue bonds, guaranteed by the United States Government, the proceeds of which to be used to pay depositors of insolvent banks in full as soon as claims are proven. These bonds should be marketed at a low rate of interest, and the interest collected on assets of insolvent banks would be sufficient to pay the interest on the bonds. They should be short-time issues, callable by lot; and as the assets of insolvent banks are converted into cash the bonds could be accordingly extinguished. On the closing of a trust of an insolvent bank, the remaining bonds could be called out of the assets collected. Any deficit would be available out of the guarantee fund.

It is also my thought that in any legislation of this nature it would likewise be well to correct some of the weaknesses of the past in the operation of banks by fixing rates of dividends. No doubt many banks now suspended would be open had they, over a period of years, built up their surplus fund instead of paying out a large part of their earnings in dividends. The capital structure should control the rate of dividend; that is to say, no dividend should be paid by member banks until their surplus shall equal at least one-fourth of their capital, and the maximum dividend to be paid by a bank whose surplus shall equal one-fourth and less than one-half of its capital should be limited to 6 per cent per annum. When the surplus shall equal one-half of its capital, the maximum dividend should not be more than 8 per cent. In cases where the surplus is equal to or exceeds the capital, the dividend rate might be discretionary. This principle is embodied in the measure under consideration.

It is my idea, Mr. Chairman, that banks operating on other people's money should not attempt to pay large dividends to their shareholders; that a reasonable dividend should be paid when earned. Sound banking requires an objective of strength and protection for depositors by a consistently increasing surplus.

The profits in the banking business are derived from the use of the people's money. If the profits of the banking business were confined to the earnings of the invested capital, banking would be a very unattractive business indeed. The fact that more than 8,000 banks in the United States have become insolvent and closed their doors during the past 10

years, jeopardizing more than $2,000,000,000 of the people's money, certainly affords sufficient warrant for such legislation as is proposed in this bill.

Chairman STEAGALL of the Banking and Currency Committee, on page 5 of the hearings, epitomizes the argument for this legislation in the following language:

> We must not fail to safeguard the Nation against a repetition of the disasters and distress resulting from bank failures during the past 10 years. It has brought ruin to banks, suffering to depositors, distress to the public, and destruction to business. The principle is accepted as sound on every hand by the Government, by the public, and by the banks themselves. The Government demands insurance when its funds are intrusted to a bank. Banks require bonds of employees for protection against dishonesty. The public invests in life insurance, in fire insurance, in the insurance of crops. Citizens insure themselves against their own negligence. Banks constantly protect particular deposits when such protection is required. Common sense and simple fairness suggest that the public at large be accorded the same consideration.

Mr. Chairman, I have consumed quite enough of the time of the House in this discussion. A number of bills on this subject have been presented to the Senate and the House, one of which was introduced by me. I take it that the bill before us is more or less of a composite of the best that is in these various proposals. A number of the suggestions contained in my bill are embraced in the measure before us. I would like to call your attention to another bill which I have introduced providing protection for banks which is now pending before the Banking and Currency Committee. This bill would make it unlawful, with a good stiff penalty for any person to utter or circulate false reports as to the solvency of a banking institution, that is, reports calculated to destroy confidence in such institutions and thereby precipitate a "run" on same.

The man that will do this deliberately and with premeditation is about the lowest form of animal life in my opinion. I could only compare him to this miserable creature Curtis, of Norfolk, Va., who attempted to capitalize the ghastly Lindbergh tragedy in a ghoulish effort to exploit his silly vanity. From information received by me I am satisfied that a large number of banks have been forced to suspend during this terrible period of depression due to false and malicious gossip and propaganda.

Mr. Chairman, of course the measure before us, being the initial step in Federal bank guaranty, is not 100 per cent perfect. Absolute perfection and infallibility should not be expected. But let us pass it and enter upon an experiment, which I predict will mean one of the greatest reforms that has ever been inaugurated to promote the welfare, happiness, and contentment of our people. [Applause.]

Mr. McFADDEN. Mr. Chairman, I yield 15 minutes to the gentleman from Kansas [Mr. McGUGIN]. [Applause.]

Mr. McGUGIN. Mr. Chairman, the title to this bill is "A bill to amend the national banking act and Federal reserve act, and to provide a guaranty fund for deposits in banks."

In my judgment, the title to this bill would more correctly disclose the contents of the bill if it were titled "An act to provide a guaranty fund for deposits in a part of the banks of the United States and to force the remainder of the banks into insolvency."

I believe that this bill in its present form, if enacted into law, will be the death warrant for the State banks of the United States and will bring immeasurable chaos and disaster to thousands of small and local banks of the country.

A law providing for a sound guaranty of deposits in banks is something which is much desired but most difficult to obtain. In prosperous times it may be possible for the banking structure of this country to work out a sound guaranty fund. There can be no sound or just guaranty fund which does not include every State and National bank.

The bill which is now before the Congress provides that for the deposits in a bank to be protected by the guaranty fund provided in the bill the bank must be one of three classes: First, it must be a member of the Federal reserve system; second, if not a member of the Federal reserve system, it must pass an examination which is prescribed by the board administering this fund; and third, it must have a capital and surplus of $25,000 or more.

These provisions disclose clearly that the intent and purpose of this act are to force every bank of the United States to become a member of the Federal reserve. When Congress creates a condition which forces every bank in the United States to be a member of the Federal reserve, then it would be far more honest for the Congress openly to state that it is the purpose of the Congress of the United States to destroy the State banking system and to compel every bank in the United States to be a national bank, under the direct control of the National Government. This is a violent invasion upon the sovereignty of the States. A sovereign power which can not control its own banking system is not worthy of the name and is no longer a sovereign power.

It is true that in section 208 this bill provides that a State bank subject to the approval of the board administering this fund can participate in this fund. However, this same section of this bill viciously belied this overture to the State banks. This is because in section 208 of this bill it is provided that such nonmember banks shall pay an initial contribution and an annual contribution in a sum which is twice as much as the contributions paid by member banks.

In section 202 of this bill it is provided that the Treasury of the United States shall make an advancement to this guaranty fund, each of the Federal reserve banks shall make an advancement to the guaranty fund, and each of the banks participating shall make an advancement to the fund. If we enact this bill into law, then we have provided that the Treasury of the United States, the Federal reserve banks, and the member banks have formed a gigantic conspiracy fund for the purpose of giving special privilege to the member banks and to destroy the outside banks.

With the deposits in member banks guaranteed by such a fund, it is obvious that the people of the United States will transfer their deposits from banks not participating in this guaranty fund to banks which are participating in this guaranty fund. This is such a vicious conspiracy in restraint of trade that if any other line of business in the United States would undertake to carry on a similar program it would be haled into court for creating an unlawful combination and conspiracy in restraint of trade. It would be facing dissolution and its officers facing the penitentiary.

When nonmember banks of the Federal reserve find their deposits slipping away from them into the member banks, as the case will be, if this bill is enacted into law, they will find that they will be compelled either to watch their institutions go into insolvency or be blackmailed into joining this association of guaranty banks to which they would be compelled by law to pay an annual contribution twice the amount paid by the privileged member banks.

Every Member of this Congress who votes for this bill is literally taking his hammer in hand, filling his pockets with nails, and nailing shut the doors of the State banks of America. It may be that Congress can not keep open all of the banks of this country. That is something which is beyond our control; but, if we pass this bill, the economic distress and human despair which will follow in the wake of the closing of thousands of State banks will be upon our hands. We shall be the ones who are directly responsible for it. Simply because we may not have the prescription in our medicine chest which will cure the patient which is upon our hands, that is no justification for administering strychnine to our patient.

In these times of distress it is common knowledge that there are thousands of banks in our country which can not pass the entrance requirements of the Federal reserve system.

This is no reflection upon these outside banks. Due to the same conditions, there are many banks that are in the Federal reserve system which are at this time in no position to meet the requirements for entrance. Yet under this bill the banks that are already in the Federal reserve system can participate in this fund, while equally as sound banks outside of the system can not participate in the fund. It

is true that under section 208 the nonmember banks that desire to participate in this guaranty fund must pass an examination by the board administering this guaranty fund rather than the Federal Reserve Board; however, it is obvious that the board administering this fund would of necessity prescribe an examination of equal rigidity as the examination for entrance into the Federal reserve system. If the board does not prescribe such an examination, it would be practicing a fraud upon the banks which are members of the Federal reserve system. It would be most dishonest for the board to permit weak banks to come into this fund and participate on equal terms and conditions with banks that are now members of the Federal reserve.

In this connection I have a telegram from the Hon. H. W. Koeneke, bank commissioner of the State of Kansas. It is as follows:

Six hundred and forty-seven State banks and fifteen trust companies operating under Kansas charters. Five State banks are members of the Federal reserve system. Two hundred and ten State banks do not have sufficient capital to be eligible for membership; many would not be able to qualify at this time. It seems to me that the national bank guaranty law would have the exact opposite effect on Kansas banks than is the intention of the act. Your aggressive opposition appreciated.

H. W. KOENEKE,
Bank Commissioner.

Here we find that in the State of Kansas, out of 662 State banks and trust companies, 5 of them are members of the Federal reserve system. Therefore only 5 of the 662 State banking institutions of Kansas would be eligible to participate in the guaranty fund provided by this act without at least paying an annual contribution of twice as much as the assessment against the member banks. Two hundred and ten of the State banks of Kansas, even though they were disposed to stand for this 100 per cent discrimination in assessments, would still be ineligible under this act, because they do not have a capital and surplus of $25,000. Many of the remainder of these State banks could not at this time meet the requirements, notwithstanding the fact that they are equally as sound as many of the banks which are now members of the Federal reserve.

There may be those who have become so enamored with great national and international banking that they regard it as a matter of small concern as to whether or not these smaller State banks survive or perish. If these small banks are driven out of business, it means the death knell of banking credit for the individual and small business. Banking credit for the individual and small business made this a great country. During the some one hundred and fifty years' existence of this Republic, hundreds and thousands of men obtained a few hundred dollars of credit when their principal collateral was their character and integrity, and from that credit they developed into successful business men. They built the small communities of this Nation. It was men such as these who started the small institutions which grew into larger institutions; and as their institutions grew, country towns and villages grew into great industrial centers. It was the smaller banks which advanced such credit. The great banks did not advance it. Banks with large deposits are not interested in loans of a few hundred dollars.

When this country becomes so selfish and avaricious that it is only interested in credit for the great and powerful the old America which we know is bound to perish. I am not opposed to great banks for great credit, but great banks and great credit must leave a place in American life for small banks and small credit. I can understand how great banks and great credit in their wild and mad rush for wealth may ruthlessly destroy small banks and small credit but it is beyond my comprehension that Congressmen and Senators, representatives of the people, would ever enact legislation which overnight would more completely destroy small banks and small credit than any program which great wealth could ever establish.

In my own district there are 32 banks which are members of the Federal reserve system and 43 which are nonmembers. If I can help it, this Congress is not going to enact a bill that will overnight drive the deposits out of those 43 nonmember banks into the 32 member banks. If I can help it, we are not going to destroy the majority of the banks in the district which I represent. In my judgment, any Member of this Congress who votes for this bill betrays the interest of the majority of his constituents and drives thousands into bankruptcy. When these deposits are driven out of these nonmember banks into the member banks the nonmember banks are forced to liquidate. When they are forced to liquidate that means that those who owe them money are in turn forced to liquidate. Immediate liquidation at this time will mean a sheriff's sale for the people who owe these nonmember banks. The interest of the stockholders in these nonmember banks is small as compared with the anguish and the despair which will fall upon their debtors who are forced to make an immediate liquidation.

I can not conceive how this Congress could perpetrate and inflict more cruelty upon a greater number of people than to enact a law which will inevitably drive into insolvency the great majority of the banks of this country that are not members of the Federal reserve system.

The fund provided by this bill which is to guarantee the deposits of certain banks is one-half billion dollars. This guaranty fund is confined practically exclusively to the deposits in national banks. As of June 30, 1931, the last available statistics which I have at hand, the total bank deposits of the United States were, in round figures, $54,000,000,000. These deposits, in round figures, were divided as follows:

State banks and trust companies	$21,000,000,000
National banks	22,000,000,000
Savings banks	11,000,000,000

This guaranty fund of one-half billion dollars is to guarantee $22,000,000,000 of deposits in the national banks. It seems to me but a silly fancy and a childish dream to suggest that one-half billion dollars can guarantee the $22,000,000,000 of deposits in the national banks. This means that $1 stands as a guaranty for the safety of $44. It is my judgment that this effort to guarantee $22,000,000,000 of national-bank deposits with a one-half billion dollar guaranty fund will turn out to be a humbug and a fraud upon the American people, just as every State bank guaranty law has turned out to be a fraud upon the depositors in State banks. It seems obvious to me that the enactment of this law, providing for a one-half billion dollar fund to guarantee $22,000,000,000 of national-bank deposits, will prove to be a failure. I am quite certain that the enactment of this law, which proposes to guarantee only the deposits of national banks, will cause chaos and pandemonium in the $32,000,000,000 of deposits in the State banks and trust companies and in the savings banks. Any bank guaranty law which does not actually and honestly provide equal protection for the entire $54,000,000,000 of bank deposits is an iniquity and a fraud practiced upon the American people, which, above all, should not be inflicted by the Congress of the United States.

Let us not lend the sanctity of the faith and the integrity of the Government of the United States to any bank guarantee law which will not adequately protect the deposits of every bank in the United States. If it is impossible for us to provide a guarantee fund which is adequate and substantial enough actually to protect the bank deposits which are secured, and to grant equal protection to the deposits of every bank in the United States, then let us leave it alone. Dreams and panaceas can not cure our present ills. Partiality and special privilege as between banking institutions and as between depositors are iniquities which this Government must not practice if we expect to survive and retain the confidence of our citizens.

If we enact this law then within a few years there will be no banks in this country except banks which are members of the Federal reserve system. When that happens, every small country national bank of this country will be but a gathering agency and sort of a subsidiary for the large banks. We can view the matter in the most charitable light, and we can not escape realizing that during the last 10

years the national banking department and the Federal reserve system have been used to destroy local and individual credit. We can not escape the knowledge that the national banking department and the Federal reserve system have been used for the benefit of large banks and to the detriment of the small member banks.

The national-bank examiners went into these small national banks and laid down the rule that paper which was not liquidated at frequent intervals was bad paper. These examiners compelled the local bankers to charge off paper which was not liquidated at frequent intervals. The management of these small national banks were not permitted to run their own institutions. They soon found that they could not give credit to their neighbors and local citizens. They were compelled to discontinue credit for customers who had dealt with these local banks for the years and upon which the banks had never lost a dollar.

These local national banks soon found that the only paper which they could have in their possession which would meet the approval of these examiners was a note secured by a certificate of stock in some corporation which was listed on the board of trade. This destroyed and denied credit for sound and legitimate local business. It furnished credit for stock gambling. With credit taken away from local and legitimate business, it was deflated. With credit given over to gambling, gambling was inflated. This is one of the principal reasons for the wild stock inflation which came to an end in 1929. These local national bankers also found that there were other securities which they could hold which met with the approval of these examiners. That other credit was bonds of foreign countries. International bankers floated these foreign issues, took their handsome commissions, and forced the bonds on to the local banks. Now we find the banks of this country loaded down with a lot of foreign loans which were floated by big banks. The Federal reserve system did not prevent this situation; on the contrary, it is obvious that it encouraged it.

The Federal reserve law was enacted with the supposed purpose of taking the banking business of this country out of the control of the big banks. The truth is, it turned it over to them. The large banking institutions have been able to use the Federal reserve system and to monopolize the banking and credit of this country to a far greater extent than they could ever have done without it. This is due to the fact that the law permits the membership of the Federal Reserve Board to be composed entirely of bankers. In the nature of things, this board, composed entirely of bankers, has been composed of men whose viewpoint is that of great banking and of great credit with no regard for small banking and small credit.

As a matter of fact, their viewpoint has been one of contempt for small banking and small credit. It is obvious that the Federal reserve system has been operated in the interest of the lender of money and with no fair regard for the borrower of money. Human nature would permit no other course, when the board which controls the Federal reserve system is composed of those whose training is along the lines of great international and national banking rather than along the lines of local banking and local credit. Until such time as the borrowers of money are represented on the Federal Reserve Board along with the lenders of money, the Federal reserve system of this country will be a curse to local and individual credit rather than a benefit. A fair regard for the welfare of local banking, whether it be National or State banks and individual credit, requires that the entire banking structure of this country must not be controlled by the Federal reserve system, an instrumentality of the National Government.

We talk about centralized wealth being a menace to the welfare of the people, yet the truth is it is a lesser menace to the liberty and welfare of the people than centralized government. As a matter of fact, centralized wealth could never reach such a menacing proportion except that we have centralized government. However, if we have centralized wealth, we are bound to have centralized government. When Congress drives all of the banks into the Federal reserve system, an agency of the National Government, it has taken the longest possible step toward centralized wealth and centralized government. The State banking system of this country is the last bulwark between the people and centralized wealth and government. The State banking system must not be destroyed. This bill will destroy the State banking system. It must not be passed. [Applause.]

Mr. STEVENSON. Will the gentleman yield?

Mr. McGUGIN. Yes.

Mr. STEVENSON. The gentleman says State banks could not become members of the Federal reserve bank. The gentleman has not considered the fact that they can become members of this fund if they have $25,000 of capital and surplus and a certificate of good health from the State banking department.

Mr. McGUGIN. Yes; for three years' time; and at the end of the three years you force every State bank in this country to be at the mercy and under the domination of this board.

Mr. STEVENSON. It requires them to submit to an examination, the same as any other bank.

Mr. McGUGIN. Why do you not in this bill make it for all time? Why do you not provide that for three years State banks participating in this fund need no further credentials than from their own State banking department? Why not make it any unlimited period instead of three years, enough time to fish them into the system?

Mr. KELLER. Will the gentleman yield?

Mr. McGUGIN. Yes.

Mr. KELLER. I would like to know whom we are trying to help through this bill—the people who are going to put money into the banks or the banks primarily?

Mr. McGUGIN. The main point is this, as I view it: You can not set up a fund which guarantees about 40 per cent of the deposits of this country without spreading chaos and pandemonium among the other 60 per cent.

Mr. KELLER. If there are objections to the bill, why not propose amendments to the bill that will make it possible for these State banks to come in?

Mr. McGUGIN. I take it that the reason the committee backed off from the State banks is because there are so many of them that it was feared that they would break down the entire guaranty fund.

Mr. KELLER. I do not think so. I have many letters from my State banks. What I am trying to get at is this: The bankers of this country, both National and State, have had things to suit themselves for all these years, and as far as I know they have never made any provision for the protection of the people of this country when they put their money in the hands of those bankers. Have they or not?

Mr. McGUGIN. I can not answer as to the past conduct of all the banks of the country.

Mr. KELLER. Well, have they or have they not? Why have they not done it?

Mr. TILSON. Will the gentleman yield?

Mr. McGUGIN. Yes.

Mr. TILSON. I wish to ask the gentleman if this is not the effect of this bill: That we are taking $150,000,000 out of the Treasury of the United States and constituting it a guaranty fund to be added to by a further liability on the part of the United States in case it is needed, and that thereby we guarantee only a limited number of banks in which depositors have deposited their money? Is not this the effect of it?

Mr. McGUGIN. That is my understanding of the effect of it; yes; with the exception of one part of the gentleman's question. The gentleman said we are taking $150,000,000 out of the Treasury. That is true. Then the gentleman said there was a further liability. I can not answer as to that part which pertains to a further liability.

Mr. STEAGALL. Will the gentleman yield?

Mr. McGUGIN. Yes.

Mr. STEAGALL. There is not any liability whatever touching the Treasury of the United States, except the $150,000,000 which is taken out of the Treasury for the pur-

pose of starting the initial guaranty fund. We take that because the Federal reserve banks have put that amount into the Treasury.

Mr. TILSON. But it is in the Treasury; and once it is taken out by this bill or through any other means, we shall have to make it good.

Mr. KELLER. If it does not belong to us, we ought to make it good, ought we not?

Mr. TILSON. But it does belong to us.

Mr. McFADDEN. Will the gentleman yield?

Mr. McGUGIN. Yes.

Mr. McFADDEN. Referring to the colloquy that has just taken place, the actual amount that under this bill would come from the United States Treasury is $147,126,882. In addition there is $150,000,000 to be taken out of the reserve or surplus of the Federal reserve system, which really belongs to the United States, making a total of $297,000,000.

Mr. STEAGALL. Will the gentleman yield to me? I am sure the gentleman from Pennsylvania [Mr. McFADDEN] does not want to mislead the Members of the House, and certainly there is no foundation for that statement.

Mr. McFADDEN. Will the gentleman from Kansas yield further to me?

Mr. McGUGIN. Yes; I yield to the gentleman from Pennsylvania.

Mr. McFADDEN. The gentleman from Alabama [Mr. STEAGALL], the chairman of the committee, has questioned my statement about the withdrawal of $150,000,000 of surplus from the Federal reserve system.

Mr. STEAGALL. No; I do not question that statement, so long as it is put in that language.

Mr. McFADDEN. Just what was the objection to the statement then?

Mr. LAGUARDIA. That it belongs to the Treasury of the United States.

Mr. STEAGALL. Yes.

Mr. McFADDEN. May I say that the law provides that in case of liquidation of the Federal reserve system the surplus of the Federal reserve system belongs to the United States Treasury.

Mr. LAGUARDIA. In case of liquidation, yes; but this is anything but liquidation. This is giving the member banks the benefit of their own reserve and surplus.

Mr. McFADDEN. This is not their own reserve. The banks have nothing in the world to do with it. It can not be distributed to them in any way. The only distribution of this surplus must go to the United States and not to the member banks of the reserve system.

Mr. McGUGIN. I may say to the gentleman from New York [Mr. LAGUARDIA] that that statement does not apply to the $150,000,000 that the Government is actually putting up and contributing to this fund.

[Here the gavel fell.]

Mr. McFADDEN. Mr. Chairman, I yield five minutes to the gentleman from Ohio [Mr. CABLE].

Mr. CABLE. Mr. Chairman, there were 30,800 banks in the United States in 1921. To-day there are approximately 20,200. Banks that failed or suspended payment between 1921 and 1932 number 7,000. Neither weakness in banking structure nor lack of competent management can be blamed entirely for these failures; depression in agriculture, flight of profitable business to larger cities (attended by heavy withdrawals), accumulation of worthless paper, and the establishment of too many banks for the population in the area served are some of the reasons for these failures. A large percentage of the failed banks had capital of $25,000 or less, or were located in towns of 5,000 or less. The sudden collapse in the stock market was not the sole cause of bank failures; many occurred before that time. It did, however, have a staggering effect on business, which threw a heavy burden on the banks.

In the spring of 1931 fear of impending disaster caused individuals to withdraw their currency from the banks. The postal savings increased from a balance of $175,271,686 as of June 30, 1930, to $347,416,870 as of June 30, 1931. On April 30, 1932, the balance in postal savings to the credit of depositors was $713,866,528. The number of depositors in postal savings has increased to more than 1,250,000. Because of lack of confidence in any institutions, $1,250,000,000 additional went into hiding, in safe-deposit boxes, in the ground, and elsewhere.

Faced with this situation and the fear of sudden demand by depositors, the banks of the country refused to make further loans and began to liquidate. In October, 1931, we had a bank panic; 522 banks were closed during that month. In November 175 were closed; in December, 358; in January, 1932, 342 banks were closed. Failures in 1931 amounted to 2,290 banks, with deposits of $1,759,000,000. Of these failures, 410 were national banks and 108 were State banks which were members of the Federal reserve system. The money tied up in closed banks during 1931 was but $30,000,000 less than the total amount of money tied up in closed banks during the whole of the preceding nine years.

RECONSTRUCTION FINANCE CORPORATION BRINGS ABOUT A DECLINE IN BANK FAILURES

To restore confidence, stop hoarding, prevent bank failures, and to provide emergency financial facilities for financial institutions, Congress passed the act creating the Reconstruction Finance Corporation. This was approved by the President and became a law on January 22, 1932.

This law authorized loans to be made upon approved security to banks, trust companies, building and loan associations, insurance companies, mortgage-loan companies, joint-stock land banks, livestock credit companies, agricultural credit corporations, and railroads. Charles G. Dawes was named president of the corporation. Eugene Meyer, governor of the Federal Reserve Board, was named chairman. The directors include Ogden L. Mills, Secretary of the Treasury.

By February 2, 1932, the corporation began to function. On March 31, 1932, loans had been made, fully and adequately secured, in an amount of more than $238,000,000. Of this sum, $158,182,242.06 went to banks and trust companies, of which $2,173,000 were used to aid in reorganization and liquidation.

By April 19, $243,248,769 had been loaned to 1,520 banks and trust companies, and an additional sum of $17,326,748 had been loaned to 98 building and loan associations; 69.2 per cent of this money went to banks in towns and cities of 5,000 or less; 84.6 per cent went to banks in cities of 25,000 or less, and only 5.3 per cent of the money loaned went to banks in cities of 1,000,000 or more inhabitants. Thus, it is apparent that by far the greatest portion of the Reconstruction Finance Corporation's financial aid to banks, trust companies, and building and loan associations was extended to such institutions in our smaller towns and cities.

The result of the act was to check bank suspensions. In February, 1932, the number of suspensions had been reduced to 122, and 46 banks reopened during that month. In March there were but 45 suspensions and at the same time 28 reopenings. The Reconstruction Finance Corporation is not intended as a permanent organization. It is not intended to continue for such a period of time that it can be used to prevent a recurrence of bank failures. The welfare of the people depends to a very great extent upon continuation of our banking institutions. It is of national importance that financial panics should not again occur. If Congress by law can strengthen and stabilize the banking institutions and preserve and maintain the confidence of the people in them, it is the duty of this body to do so.

GUARANTY OF BANK DEPOSITS TO PROTECT DEPOSITORS

My proposed remedy is set forth in a bill—H. R. 11201—which I introduced in the House, providing for the formation of a Federal bank-deposit guaranty and insurance corporation to insure bank deposits. The management was to be independent of the Federal reserve system, and the guaranty fund was to be created by payment of premiums based on the average daily bank deposits balance of each bank.

The House Committee on Banking and Currency has seen fit to report out a different kind of bill, one which nevertheless would, if enacted into law, guarantee bank deposits. The measure now before the House is known as the Steagall

bill, and provides a guaranty fund of $517,000,000, without a Treasury appropriation. This fund would be created out of $167,000,000 in franchise taxes paid by banks of the reserve system, $150,000,000 from surpluses now in the hands of the banks, and an assessment of $200,000,000. This fund would be administered by a board to be composed of the Secretary of the Treasury, the Comptroller of the Currency, and three members appointed by the President and confirmed by the Senate. Authority to liquidate closed banks and pay off depositors in full at any time after a bank is closed would be delegated to this board. An amendment, which, I understand, is acceptable to Chairman STEAGALL, has been proposed to permit all State banks, regardless of the amount of their capital, to enjoy the benefits of the guaranty and insurance features if and when they qualify. Upon payment of an assessment all State banks not members of the Federal reserve system would be permitted to contribute to and participate in the guaranty fund provided by the Steagall bill.

Mr. STAFFORD. Why not guarantee everybody a living for life?

Mr. CABLE. I am glad the gentleman has asked that question. Some one here has compared the grocery business with the banking business. A bank is a lawful monopoly. Before a bank may be established and operated, the Government, Federal or State, must first give its consent. The men, women, children, and the industries of your home town depend upon the solvency of its banks.

Mr. LAGUARDIA. And the gentleman should add that the grocer is dealing with his own goods, whereas the bank is dealing with the money of its depositors.

Mr. MARTIN of Oregon. Will the gentleman yield?

Mr. CABLE. I yield.

Mr. MARTIN of Oregon. The gentleman has made a study of this question, and I would like for the gentleman to tell us why the guaranty of deposits laws have failed in the States where they have been tried.

Mr. CABLE. That question has been raised before, and I am glad to answer the gentleman from Oregon. A State law to guarantee bank deposits confines the burden of expense and security to too small a territory. A crop failure in one State in the past has wiped out the security and destroyed the guaranty system of that State. Oil-stock manipulation in the State of Oklahoma wiped out the securities in its banks. If the burden is spread over the entire United States, a crop failure in the gentleman's own home State of Oregon or an oil-stock manipulation in another State, would not break down the system of guaranteeing bank deposits; there still would be sufficient security in the other States to protect the banks and carry on the business.

Then, too, as is indicated by the hearings before the committee on the bill now under consideration, inefficient examination, lax administration, and indiscriminate granting of charters in States that enacted guaranty laws had much to do with the failure of those guaranty systems.

I quote from the "Business Week," which appears in the Literary Digest of January 2, 1932:

> The fact that it has failed where applied locally proves no more than that it is impossible for a single community alone to insure itself successfully against death or fire. It must, of course, be applied on a national scale so as to spread the risk widely over diverse conditions and be coupled with machinery for enforcing uniform standards of banking practice.
>
> The risk is easily calculable on an actuarial basis.
>
> Even in the epidemic conditions of the past 10 years it is so small compared with the total of deposits that the reserve required for protection against actual losses from bank liquidation would be relatively small, and the burden upon the banking system as a whole would be slight.

The committee guaranty bill now before us provides for diversification of risk over the entire country.

THE ALTERNATIVE—A NATIONAL SYSTEM OF BRANCH BANKS

The Comptroller of the Currency, J. W. Pole, when he recently appeared before the House Committee on Banking and Currency, advocated regional branch banks and reminded the committee that, in his opinion, the remedy for the country-bank situation is a system of branch banking built up around strong city banks operating under close Government supervision.

A bill introduced by Senator GLASS is now pending in the United States Senate providing, among other things, for a system of branch national banks. If that provision should become a law, it would give national banks the right within the State of their domicile, as well as in adjoining States within 50 miles of the parent bank, to establish branch banks, irrespective of State laws. In my opinion, this bill should not become law—it would destroy our local banks by forcing them to sell out, become a branch of a national bank, or go out of business.

Mr. Pole and Senator GLASS may have in mind the Canadian system of national branch banks. As a matter of fact, opponents of the proposal to guarantee bank deposits point to Canada. They say, "There have been no bank failures in Canada. Canada has no deposit guaranty system. Let us try the Canadian system."

Compare the American banking situation with the Canadian. In the United States we have two independent systems of banks—the national banks and the State banks. National banks were created to meet national needs only. Later the Federal reserve system was created to stabilize and assure flexibility in those banks which should become members of that system. State banks may by complying with certain requirements become members in full standing with national banks.

Thus we have in this country nearly 20,000 independent banks, each responsive to the needs and interests of the community which it serves.

In Canada, on the other hand, there are 10 large banks, located in as many large cities, with a total of 4,000 branch banks scattered all over the country. One of the 10 Canadian banks has 1,000 branches and holds 27 per cent of Canada's entire commercial banking assets.

The United States and Canada are of approximately equal area, and both have practically the same mineral and other natural resources. The United States, however, has a population twelve times as large as that of Canada, a natural wealth twelve times as great, and an annual income thirteen times as great. Banking problems in the United States consequently are correspondingly more complex.

Branch banking is not the solution or remedy to avoid bank suspensions. The Home National Bank of Canada, for example, with deposits of $15,000,000 suspended payment and failed within the last few years, carrying down with it all of its branch banks. In December, 1930, the Bank of United States in New York suspended payment. It had 58 branches in the city of New York with total deposits of $161,000,000. All of the 58 branches were closed with the parent bank.

Of the 20,000 banks in the United States, upon whom our people are dependent for financial assistance, approximately 18,000 are independent State banks. It is proposed to destroy our dual system of independent banks by authorizing the national banks to establish branch banks throughout the country, without regard to State laws. There thus would be created a single system of banks. In many States branch banking is prohibited. In Ohio, for example, branch banking is prohibited excepting within the municipal limits of the parent bank.

If Senator GLASS's plan or the recommendation of Mr. Pole should become law, the independent State banks would be forced to sell out their independence and their assets to a national bank and become a branch bank of that system. Should such a system of branch banking ever be established, the change would be attended by a destruction of individual initiative and enterprise, which are so essential to good citizenship.

In endeavoring to strengthen our financial institutions, or any of our other institutions, we must not forget that the ultimate strength of our Nation depends upon the strength of a citizenry made up of persons who are individually strong.

If we ever establish a national system of branch banks, those men and women who now are presidents, vice presidents, and cashiers of their own banks would become man-

agers and tellers of branch banks of some large central bank, miles away from the local community, and whose officers have absolutely no personal interest in the welfare and growth of the local community.

Another system of banking is that known as chain banking. In Ohio, for example, as well as in New York, New Jersey, and Pennsylvania, the State law permits branch banking only in the city of the parent banks. Few States authorize branch banking. Primarily in those States which have no branch-banking laws, but even in those States which have them, individuals or holding corporations acquire the control of a number of independent banks through the purchase of their stock. Banks thus controlled are known as chain banks. They have the same serious effect upon home communities as chain stores. The ownership, control, and interest being foreign, they do not respond to local needs. The funds may be shifted at will by those who control these banks, to the detriment of local communities, just as funds collected by chain stores are taken from small cities and villages and sent to the great money-market centers. Pool operation, or chain operation, as it is called, makes it possible to raise interest rates in one community above a profitable level. When a monopoly is created, the interest rates are lowered again. Such cut-throat competition destroys or weakens independent local banks.

The people of the United States are confronted with an emergency as serious as war. Misery is widespread. Most Members of the House have seen suffering and distressed bank depositors—the destruction of their business and the loss of their homes. Thousands have been reduced to poverty and despair. Life savings, security for old age, have dwindled to almost nothing. To a great extent all this is the result of bank failures. The length and severity of the depression have been due principally to the closing of many banks and the inability of others to function normally. Our concern is the continued solvency of the banks of our communities, because we are interested chiefly in the future welfare of bank depositors.

I quote Henry M. Dawes, former Comptroller of the Currency, who stated at a hearing before the House Committee on Banking and Currency:

> The man who knows his customers and who lives in the midst of their environment is infinitely more competent to handle their funds than the most technically proficient banker in New York. In branch banking, character loans are impossible. The development of America is dependent on nothing else than on the independent-unit bankers of vision, courage and independence, whose first interest in the creditor is his character.

Neither branch banking nor chain banking will remedy the situation. The solution is the insurance or guaranty of bank deposits. That will restore confidence and aid materially in bringing us out of the depression.

Mr. STEAGALL. 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. WOODRUM, 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. 11362 and had come to no resolution thereon.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted—

To Mrs. NORTON, for the remainder of the week, on account of illness.

To Mr. CROWTHER, for one day, on account of important business.

DESIGNATION OF SPEAKER PRO TEMPORE

The SPEAKER. The Chair designates the gentleman from Illinois [Mr. RAINEY] to preside at the session to-night.

PROCEEDINGS AT UNVEILING OF STATUE OF CHARLES BRANTLEY AYCOCK

Mr. STEVENSON. Mr. Speaker, I send up a privileged resolution, House Concurrent Resolution 31, for present consideration.

The Clerk read as follows:

House Concurrent Resolution 31

Resolved by the House of Representatives (the Senate concurring), That there be printed with illustrations and bound 5,000 copies of the proceedings in Congress, together with the proceedings held at the unveiling in Statuary Hall, upon the acceptance of the statue of Charles Brantley Aycock, presented by the State of North Carolina, of which 1,000 copies shall be for the Senate and 2,500 copies for the use of the House of Representatives, and the remaining 1,500 copies shall be for the use and distribution of the Senators and Representatives in Congress from the State of North Carolina.

The Joint Committee on Printing is hereby authorized to have the copy prepared for the Public Printer and shall procure suitable illustrations to be published with these proceedings.

Mr. STAFFORD. Mr. Speaker, will the gentleman yield?

Mr. STEVENSON. Yes.

Mr. STAFFORD. Is this the customary allotment?

Mr. STEVENSON. Yes; this is the customary resolution and allotment, except that formerly it was the habit to print 20,000. We have recently cut that down to 5,000.

The SPEAKER. The question is on agreeing to the concurrent resolution.

The concurrent resolution was agreed to.

HOUR OF MEETING TO-MORROW

Mr. STEAGALL. Mr. Speaker, I ask unanimous consent that when the House adjourns to-night it adjourn to meet at 11 o'clock a. m. to-morrow.

The SPEAKER. Is there objection?

Mr. STAFFORD. Mr. Speaker, I reserve the right to object. There are some very important committee hearings going on, and I feel constrained to object.

Mr. STEAGALL. We want to use the time in general debate.

Mr. STAFFORD. That is very true; but frequently when we do come at 11 o'clock, some one makes the point of no quorum, and no advantage is had. I object.

EXTENSION OF TIME FOR GENERAL DEBATE

Mr. STEAGALL. Mr. Speaker, I ask unanimous consent that the time for general debate upon the pending bill be extended for one hour, to be equally divided between the gentleman from Pennsylvania and myself, the debate to be confined to the bill.

The SPEAKER. Is there objection?

There was no objection.

INVESTIGATION OF GOVERNMENT COMPETITION

Mr. COX. Mr. Speaker, I ask unanimous consent for the present consideration of House Resolution 235, which I send to the desk.

The SPEAKER. Is there objection?

Mr. STAFFORD. Let the resolution be reported.

The Clerk read the resolution, as follows:

House Resolution 235

Resolved, That the Speaker of the House of Representatives be, and he is hereby, authorized to appoint a special committee to be composed of five members for the purpose of investigating Government competition with private enterprise and all other questions in relation thereto that would aid the Congress in any necessary remedial legislation. The committee shall report to the House not later than December 15, 1932, the result of its investigation, together with such recommendations for legislation as it deems advisable.

That said special committee or any subcommittee thereof is authorized to sit and act at such times and places within the United States, whether or not the House is sitting, has recessed, or has adjourned, to hold such hearings, to employ such experts, and such clerical, stenographic, and other assistants, to require the attendance of such witnesses and the production of such books, papers, and documents, by subpœna or otherwise, to take such testimony, to have such printing and binding done, and to make such expenditures as it deems necessary, and such expenses thereof shall be paid on vouchers ordered by said committee and approved by the chairman thereof. Subpœnas shall be issued under the signature of the chairman and shall be served by any person designated by him. The chairman of the committee or any member thereof may administer oaths to witnesses. Every person who, having been summoned as a witness by authority of said committee, or any subcommittee thereof, willfully makes default, or who, having appeared, refuses to answer any question pertinent to the

investigation heretofore authorized, shall be held to the penalties provided by section 102 of the Revised Statutes of the United States.

The SPEAKER. Is there objection?

Mr. STAFFORD. Mr. Speaker, I reserve the right to object. Has any estimate been made as to the cost of this peregrinating committee?

Mr. COX. It will cost a minimum sum, not very much. It is believed that the entire investigation may be conducted here in the city of Washington.

Mr. STEVENSON. Mr. Speaker, I would like to know what it is that is being investigated.

Mr. COX. It is the question of competition as between Government and private enterprise—in other words, the Government engaging in the mercantile business and the restaurant business and in every form of business.

Mr. STAFFORD. The majority of this Congress is on record as favoring the manufacture of fertilizers at Muscle Shoals. What is the use of investigating minor manufacturing?

The SPEAKER. The Chair was informed that this came as a unanimous report from the Committee on Rules, and the gentlemen in charge on each side were in favor of the resolution. Otherwise the Chair would not have recognized the gentleman to take it up at the hour.

Mr. MAPES. Mr. Speaker, I reserve the right to object. I think it will be interesting to have some statement from the gentleman from Georgia as to just what investigation this resolution contemplates. It is very broad in its terms. What is the specific thing that the proponents of the resolution have in mind to investigate?

Mr. COX. The resolution is intended to set up a committee to deal with the question of the Government competing with private individuals in the restaurant business, in the laundry business, and every other form of business. In other words, the Government, ostensibly for the benefit of employees, establishes a restaurant in one of the buildings, which the public within that vicinity patronizes.

Mr. WOODRUM. Mr. Speaker, to end the argument, I object.

Mr. COX. Mr. Speaker, by direction of the Committee on Rules, I call up the resolution, House Resolution 235, and ask for its immediate consideration.

The SPEAKER. The gentleman from Georgia calls up a resolution, which the Clerk will report.

Mr. MARTIN of Oregon. Mr. Speaker, I make the point of order that there is no quorum present.

The SPEAKER. The gentleman from Georgia makes a point of order that there is no quorum present.

Mr. COX. Mr. Speaker, I ask leave to withdraw the request.

The SPEAKER. The gentleman from Georgia asks leave to withdraw his request to call up the resolution.

Mr. MARTIN of Oregon. Mr. Speaker, I withdraw the point of order of no quorum.

RECESS

Mr. RAINEY. Mr. Speaker, I move that the House now recess until 8 o'clock to-night.

The motion was agreed to.

Accordingly, pursuant to its previous order, the House recessed until 8 o'clock p. m.

EVENING SESSION

The recess having expired at 8 o'clock p. m., the House was called to order by the Speaker pro tempore, Mr. RAINEY.

PRIVATE CALENDAR

The SPEAKER pro tempore. Under unanimous-consent agreement heretofore entered into, the House is in session until 10.30 o'clock p. m. for the purpose of considering bills on the Private Calendar under the old rule, commencing at the last starred bill where the call left on April 26 last. The present occupant of the Chair desires again to suggest, as he did on the 26th day of April, that if Members objecting to bills would make their objections and not reserve them, and if proponents of bills who desire to present their case would extend their remarks in the RECORD, it might be possible to call more bills.

On April 26 there were 495 bills on the Private Calendar from the point where we left off. Now there are 686 bills on the Private Calendar. This calendar grows faster than we can dispose of bills on it.

The Chair is powerless to carry into effect these suggestions but can do it with the cooperation of the Members present, and it might not be impossible to call as many as a hundred bills in a night.

Members who fail to get their bills considered are likely to meet with some objections when they get home. Questions will be asked as to their efficiency; yet Members are perfectly powerless in the matter. If we can call as many as a hundred bills to-night, the Chair will cooperate and do the best he can to get sessions, either night sessions or day sessions, during the remainder of this session to complete the entire Private Calendar and call all unobjected-to bills.

The Clerk will call the first bill.

WILL A. HELMER

The Clerk called the first bill on the Private Calendar, H. R. 1448, for the relief of Will A. Helmer.

The SPEAKER pro tempore. Is there objection?

Mr. STAFFORD. Mr. Speaker, when the House was last considering Private Calendar bills unobjected to there was a reservation of objection to this bill, and the gentleman from Michigan, Mr. HOOPER, had the floor.

Since that time I have examined the report again, out of courtesy to the gentleman. I believe he wishes to make a brief explanation, and I yield to him for that purpose.

Mr. HOOPER. Mr. Speaker, I shall not take the time of the House, in view of what the Speaker pro tempore has said, to make an explanation.

The gentleman from Wisconsin has said he intended to object to it. I wish to make the statement that I feel this is a meritorious bill. The War Department has reported on it, and I hope the gentleman will go fully into the facts.

Mr. STAFFORD. I will be pleased to cooperate with the gentleman as to matters referred to in the report of the Secretary of War and see whether the burden is upon the Government or upon the Michigan Central Railroad. I am of the opinion it is an obligation of the Michigan Central Railroad and not of the Government.

I object, Mr. Speaker.

JOSEPH C. GRISSOM

The Clerk called the next bill, H. R. 1668, to carry out the findings of the Court of Claims in the case of Joseph C. Grissom.

Mr. STAFFORD. Mr. Speaker, I object.

Mr. MANLOVE. Will the gentleman from Wisconsin withhold his objection?

Mr. STAFFORD. I shall be pleased to withhold it.

Mr. MANLOVE. I wish to make an explanation that probably does not appear on the face of the original report on this bill. I will ask the gentleman if he has the supplemental report?

Mr. STAFFORD. I have, and I have read it very carefully.

Mr. MANLOVE. I desire to call the attention of the gentleman from Wisconsin to the fact that I consider this one of the most meritorious bills that have ever been on this calendar.

This is a bill which calls for the payment of a man who was commissioned by the Governor of Indiana a second lieutenant, and who served in that capacity for a year, and did the work of a second lieutenant.

Mr. STAFFORD. Will the gentleman yield?

Mr. MANLOVE. Certainly.

Mr. STAFFORD. The records of the War Department, not of the adjutant general's office of the State of Indiana, but of the War Department, show that he was never mustered in as second lieutenant during the period referred to; that he could not be mustered in as second lieutenant because there were not a sufficient number of men in the com-

pany. Further, he was a sergeant. There are any number of instances of similar purport. If we recognize the claim of this man, we will have to recognize the claims of the others.

Mr. MANLOVE. May I ask the gentleman if he believes it is proper or right for the Government of the United States to withhold payment to one person simply because there are other meritorious claims that have not been made?

Mr. STAFFORD. It is a principle of the Army that whenever a company has not sufficient personnel to warrant the granting of a commission and the man is acting in another capacity, although he is doing the work of a higher rank, he draws the pay of the rank in which he is serving.

Mr. Speaker, I object.

Mr. MANLOVE. If the gentleman from Wisconsin will yield——

Mr. PARKS. May I say to the gentleman from Missouri that if the gentleman from Wisconsin is going to object, why waste time in further explanation?

I would not interfere with anybody's bill for anything.

Mr. MANLOVE. I would not interfere with anybody's bill myself.

The SPEAKER pro tempore. Objection is heard. The Clerk will call the next bill.

E. C. SAMPSON

The Clerk called the next bill, H. R. 4149, authorizing the Secretary of the Interior to pay E. C. Sampson, of Billings, Mont., for services rendered the Crow Tribe of Indians.

Mr. BLANTON. Mr. Speaker, reserving the right to object——

The SPEAKER pro tempore. Objection is heard.

Mr. BLANTON. No; I did not object; I reserved the right to object. I wish to make a statement to the gentleman from Montana. While this bill involves only $600, it establishes a bad precedent by paying so-called expert witnesses.

In my State we have gotten to the point where you can not subpœna a doctor to come and testify in a case, like the ordinary witness, unless you pay him something or else have the court force him to attend. He wants $25 a day to testify as a physician. If you summon an engineer he will not come to court unless the court makes him or else you put up $25 a day or $50 or $100 a day. I am against that sort of practice. Whenever a witness is needed in court he ought to be subpœnaed or his deposition ought to be taken, and he ought to be treated exactly like every other witness who comes into court. Mr. Speaker, I object.

RELINQUISHMENT BY THE UNITED STATES OF CERTAIN LANDS TO THE CITY OF COEUR D'ALENE, STATE OF IDAHO

The Clerk called the next bill, H. R. 1133, to provide for the relinquishment by the United States of certain lands to the city of Coeur d'Alene, in the county of Kootenai, in the State of Idaho.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the United States relinquish unto the city of Coeur d'Alene, in the county of Kootenai, in the State of Idaho, all of its right, claim, or title to or the possession of all that part of the Fort Sherman Military Reserve (now abandoned) in section 14, township 50 north, range 4 west, Boise meridian, described as follows: Commencing at the southeast corner of the Fort Sherman Military Reserve (now abandoned) in section 14, township 50 north, range 4 west, Boise meridian; thence running northwesterly in a direct line, making a northwesterly included angle of 84 degrees, 33 minutes with the east limit of said Fort Sherman Military Reserve, a distance of 661.6 feet more or less to the boundary between lots 48 and 49 of said Fort Sherman Military Reserve and the true place of beginning; thence northerly along said boundary 531.76 feet more or less to a point distant 100 feet measured at right angles southwesterly from the center line of the main track of the Spokane, Coeur d'Alene and Palouse Railway Co.; thence angle 150 degrees, 31 minutes to the right and running southeasterly a distance of 617.6 feet; thence angle 120 degrees, 37 minutes to the right and running westerly 304.1 feet more or less to the true place of beginning; containing 1.88 acres more or less, situate in Kootenai County, Idaho.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

WILLIAM ALEXANDER KEYS

The Clerk called the next bill, H. R. 2707, for the relief of William Alexander Keys.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury of the United States is authorized and directed to pay to William Alexander Keys, of Brockway, Pa., the sum of $845 in repayment of purchase money paid by him on a portion of mineral entry 046436, Los Angeles, Calif., receipt No. 2983484, and which repayment is authorized by the provisions of the act of March 26, 1908 (35 Stat. 48), as amended by the act of December 11, 1929 (41 Stat. 366), and was recommended by the Commissioner of the General Land Office, approved by the Secretary of the Interior, and disallowed by the Comptroller General of the United States.

Mr. STAFFORD. Mr. Speaker, I offer an amendment. In line 10, strike out "1929" and insert "1919."

The SPEAKER pro tempore. The gentleman from Wisconsin offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. STAFFORD: On page 1, in line 10, strike out the figures "1929" and insert in lieu thereof the figures "1919."

Mr. STAFFORD. Mr. Speaker, I offer this amendment in view of the recommendation of the Commissioner of the General Land Office, as found in his report, in which he calls attention to the fact that the date should be 1919 and not 1929. I am relying entirely upon the recommendation of the Commissioner of the General Land Office.

The amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

MARGARET DIEDERICH

The Clerk called the next bill, H. R. 954, for the relief of Margaret Diederich.

Mr. ARENTZ. Mr. Speaker, reserving the right to object, I would like to have some explanation of this bill. It is for the relief of one Margaret Diederich, whose husband was a consular officer and who died two years after retirement. It is now recommended that we pay his widow one year's salary.

Mr. SCHAFER. I will be glad to give the gentleman an explanation. This bill was reported last Congress by the Foreign Affairs Committee in an omnibus bill, together with a number of other bills of a similar nature. It had the favorable recommendation of the State Department. Mr. Diederich was the American consul general at Antwerp, Belgium, at the outbreak of the World War. By reason of the extraordinary duties placed upon him in 1914 he broke down physically and mentally and his family lost practically all of their personal effects at the time of the German invasion.

The arduous duties placed upon the American consul at Antwerp, Belgium, beginning in 1914, prior to the time we entered the war and prior to the time that the American Government furnished him with ample assistance, resulted in his physical breakdown and eventually in his death.

Mr. LINTHICUM. Will the gentleman yield?

Mr. SCHAFER. Yes.

Mr. LINTHICUM. I am in favor of the bill, but I would like to know what the Claims Committee had to do with it.

Mr. SCHAFER. I will say to the gentleman that a number of these bills have been referred to the Claims Committee. In view of the fact that an appropriation is involved, the Claims Committee believed that it should have jurisdiction. Within the past month or two the Claims Committee has had four or five similar bills referred to it. This Friday, at the Claims Committee meeting, I am prepared to recommend favorable action on a bill introduced by Senator WAGNER, which is practically identical with this bill.

Mr. BLANTON. Mr. Speaker, I reserve the right to object in order to ask a question. We now have a law that takes care of the widows of officers dying in the Foreign Service, and that law provides for the payment of one year's salary, does it not?

Mr. SCHAFER. Yes; I believe so.

Mr. BLANTON. Why does not this man come under that law?

Mr. SCHAFER. He does not. The gentleman is a distinguished lawyer and a former distinguished judge of the State of Texas. The gentleman knows that employees who have been separated from the service of the Government prior to the enactment of a law which did not contain a retroactive provision can not receive the benefit of such law.

Mr. BLANTON. Then this is an extension of the law.

Mr. SCHAFER. No; this is merely following the precedents and is an exception.

Mr. BLANTON. This is to make it retroactive, and then it will take in all similar cases.

Mr. SCHAFER. Oh, no; I know the gentleman has followed this calendar and knows the situation in that respect.

Mr. BLANTON. Unless the gentleman is going to answer my questions in the proper kind of way I shall object. I am trying to get some information.

Mr. SCHAFER. Naturally, this case can not be taken care of under the existing general law. If it could, there would not be any necessity for having it appear on the private calendar just like these other bills.

Mr. BLANTON. Will the gentleman answer my questions as I ask them?

Mr. SCHAFER. Yes.

Mr. BLANTON. This is extending the law and making it retroactive, is it not?

Mr. SCHAFER. In this particular case; yes.

Mr. BLANTON. And if we do that for this case, to be consistent, as the gentleman from Wisconsin always is, we must give the same right to every widow of every officer who died prior to that act.

Mr. SCHAFER. That has been done in similar cases.

Mr. BLANTON. But it ought to come through the Foreign Affairs Committee, where these matters belong, and until that is done, Mr. Speaker, I regret very much to have to object to my friend's bill, but I object.

Mr. SCHAFER. I shall have to object to some that the gentleman is interested in on the same grounds.

Mr. LINTHICUM. Mr. Speaker, I desire to say also that any similar claim coming before the House on this calendar I shall object to unless it comes from the Committee on Foreign Affairs.

Mr. SCHAFER. Then I respectfully suggest that the gentleman has been derelict in his duty, because he will find that the Claims Committee has reported identical bills for some of the gentleman's Democratic colleagues in the other body and the gentleman did not raise any objection. We have four or five such bills now pending in the Claims Committee, including the bill of Senator WAGNER, and if the gentleman wants the bill brought before his committee, although I have considered the bill as a subcommittee of the Committee on Claims and have told Senator WAGNER that it would be favorably reported on Friday, I suggest that the gentleman have all such bills referred to his committee, providing he finds that said committee has authority to appropriate.

The SPEAKER pro tempore. The Chair may state that the Foreign Affairs Committee would not have jurisdiction of this bill as it involves the payment of money.

Mr. LINTHICUM. The Foreign Affairs Committee would have jurisdiction to authorize the payment of money.

The SPEAKER pro tempore. This bill involves an appropriation.

The Clerk will call the next bill on the calendar.

JOHN L. HOFFMAN

The Clerk called the next bill, H. R. 1205, for the relief of John L. Hoffman.

Mr. EATON of Colorado. Mr. Speaker, I object.

Mr. MEAD. Will the gentleman withhold his objection a moment?

Mr. EATON of Colorado. I reserve the objection for a moment.

Mr. MEAD. May I ask the gentleman just what his particular objection is to the bill?

Mr. EATON of Colorado. The report indicates that this is an effort to put a National Guard claim on the United States Government; and, apparently from the report, if there is a valid claim, it should be paid by whoever is responsible for the National Guard, which would be the State.

Mr. MEAD. I will say to the gentleman that the National Guard was federalized at that time and under the jurisdiction of the War Department. The claimant took his case up with the State authorities at Albany, and they referred him to Washington to the War Department. The National Guard was federalized and assigned the duty of protecting the railroads. The railroads were under control of the Federal Government.

Mr. EATON of Colorado. While this may be the old Army game——

Mr. MEAD. Oh, no; not at all. It is a just claim.

Mr. EATON of Colorado. However, the report does not make a showing that the National Guard was under the authority of the War Department and that they were responsible; in fact, the War Department denies the claim.

Mr. MEAD. The War Department does not deny the justice of the claim. The War Department states that the injuries were not as severe as indicated by the claimant. However, this is purely a matter for the Federal Government, because the National Guard was federalized and therefore the State properly disclaims all jurisdiction in the matter. The only recourse this claimant has, who was severely injured by an intoxicated guardsman, who beat him up with the end of his gun, crippling him practically for life, was to come to the Federal Government. He took up his claim with the local military authorities, as well as at the State capital, and in every available place, and was in each case referred to the Federal Government. The Claims Committee agrees that this is the record.

This is a case where a railroad man with a proper pass was going to his work and trying to cross a bridge to reach his train, and a soldier who was drunk, and afterwards convicted and sentenced, assaulted him with the butt end of his rifle and knocked him senseless. He was taken to the hospital and after a day or so, while still in a dazed condition, he left and went to his home. He was laid up for five weeks as a result of this injury. He now has a hole in his head which, so far as the bone is concerned, has not healed over. He has an impaired vision and is subject to dizzy spells.

May I say to the gentleman further that when the claim was filed here it was referred to the gentleman from Mississippi [Mr. DOXEY] as a subcommittee of the Claims Committee, and a claim was requested by Mr. Dempsey, a former Member, and myself, for $5,000. This was reviewed and reduced to $2,000, and the bill was thereafter reported favorably.

Mr. BLANTON. Will the gentleman yield right there for me to ask a question?

Mr. MEAD. Certainly.

Mr. BLANTON. With regard to the hole in the claimant's head, the report of the War Department says:

> Nothing appears in the files of this department to indicate his injuries were either serious or permanent, nor that he lost any time from his work other than on the night of June 16, 1917. There is no legal liability on the part of the Government, and the question of relief by the United States is one of grace only.

Mr. MEAD. In the report furnished the committee is the statement by the superintendent of the Lehigh Valley Railroad showing that the man was off on sick leave from June 16 to July 23. That report, together with the report of the doctor, was considered authentic by the committee. The department is in error, as represented by everybody that has had anything to do with the case.

Mr. BLANTON. The gentleman from New York is a valuable man in the House, and he watches legislation very closely. Is the gentleman prepared to say that we should disregard the report of the War Department, throw it to the winds, and take the report of the injured man against that of the department?

Mr. MEAD. We have the report of the injured man, of the superintendent of the railroad, the doctor, and a number of others explaining the nature and extent of the in-

juries. I have affidavits of an officer of the National Guard and others proving the case of the claimant.

The SPEAKER pro tempore. Is there objection?

Mr. EATON of Colorado. I object.

FRANK KANELAKOS

The Clerk read the next bill on the Private Calendar, H. R. 1279, for the relief of Frank Kanelakos.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to issue to Frank Kanelakos, of Newport News, Va., one permanent United States coupon bond in the denomination of $100 of the fourth Liberty loan 4¼ per cent bonds of 1933–1938, with coupon due April 15, 1921, and coupons to maturity attached thereto, in lieu of temporary coupon bond No. 220087 of the same loan in the denomination of $100 with no coupons attached or presented, the upper portion of which bond has been presented to the Treasury Department: *Provided*, That the lower portion of the said bond shall not have been previously presented or ascertained to be in existence, and that no payment shall be made hereunder for any coupons which may have been attached to the temporary bond: *Provided further*, That the said Frank Kanelakos shall first file in the Treasury Department a bond in the penal sum of double the amount of the bond and the interest which would accrue until the principal becomes due and payable, in such form and with such sureties as may be acceptable to the Secretary of the Treasury, to indemnify and save harmless the United States from any loss on account of the mutilated bond hereinbefore described.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

A motion to reconsider was laid on the table.

GREAT WESTERN COAL MINES CO.

The Clerk read the next bill on the Private Calendar, H. R. 2065, for the relief of the Great Western Coal Mines Co.

The SPEAKER pro tempore. Is there objection?

Mr. BLANTON. Mr. Speaker, this bill involves $15,000.

Mr. COLTON. Will the gentleman withhold his objection?

Mr. BLANTON. Yes.

Mr. COLTON. This is for the repayment of money which this company paid to the Government. It was denied by the comptroller purely on a technicality of law. The Comptroller General says that the law would have permitted him to repay had the proof been rejected, but he relinquished the claim, and the law does not provide for repayment in case of relinquishment. The Government has the land and the money both. The company has been out the use of the money for several years. This claim is a very just one. The payment of this just claim may save the company whether it can continue or not. There was a charge of fraud raised, but the department has found that there was no fraud.

Mr. BLANTON. Here is what the comptroller says:

The repayment of purchase moneys paid for lands as authorized by the act of December 11, 1919, being conditioned upon the "rejection" of applications, entries, or proofs, and the failure of the entrymen in this matter to take or retain title to the lands, not having been due to a rejection by the Government within the meaning of said act but to a relinquishment of the entry which under the circumstances, no fraud having been established, must be considered voluntary. When the Congress has by law stipulated the condition under which a payment may be made, refund or otherwise, such condition must be shown to have been met to justify payment. As the fact of rejection by the United States, the condition stipulated by law as the basis for refundment, has not been and, apparently, can not be established, the only course open to this office is disallowance of the claim. It is, therefore, disallowed.

It was not a denial of right by the Government, but it was the man's relinquishing the right of the coal company.

Mr. COLTON. That is a technicality of law. Had he gone on and allowed the commissioner to reject the proof, then his money would have been refunded to him. But rather than do that he relinquished to the Government his claim, and the Government has both the land and the money. The gentleman will find that statement in the letter of the commissioner in 1930. The members of this company are among the finest citizens of my State. This is a just measure in every particular.

Mr. STAFFORD. I call the attention of the gentleman from Texas to the following from the report of the department:

By decision dated October 11, 1927, the department held that the testimony in the case, as a whole, convincingly showed that the burden of proof had been sustained by appellants; that no fraud or attempted fraud having been shown, as a matter of justice and equity, repayment should be allowed.

After examining that, I was in accord with the position stated by the gentleman from Utah [Mr. COLTON] that the Government has both the land and the money.

Mr. COLTON. It was purely a technicality of law that it was denied upon.

Mr. BLANTON. Lots of men have taken up public land in States, say, like Texas, and then have relinquished their rights to others.

Mr. COLTON. But this was not that case. The Government has the land now and has the money that this man paid.

Mr. BLANTON. But he had the use of it.

Mr. COLTON. No; he did not use it at all; that is, the company got no benefit for which it did not pay.

Mr. BLANTON. And the probable value of that use.

Mr. COLTON. Not at all. He never got a dollar's worth of benefit from it at all. There could not be a more just claim than this.

Mr. BLANTON. Mr. Speaker, if the gentleman from Wisconsin is going to let this go by, I shall not object.

Mr. STAFFORD. I went over it very carefully and have no question about the merits of it at all.

Mr. COLTON. It is absolutely a just claim.

The SPEAKER pro tempore. Is there objection?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay to the Great Western Coal Mines Co., out of any money in the Treasury not otherwise appropriated, the sum of $16,600 in full satisfaction of its claim for refund of purchase money paid by Richard L. Bird in connection with coal land entry No. 025342, title to the lands covered thereby having been relinquished to the United States by the Great Western Coal Mines Co. as assignee of such Richard L. Bird.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

NELSON E. FRISSELL

The next business on the Private Calendar was the bill (H. R. 2161) for the relief of Nelson E. Frissell.

The SPEAKER pro tempore. Is there objection?

Mr. STAFFORD. I reserve the right to object. I am reminded privately that this bill passed the House in its present form in the last Congress. In going over the report carefully I thought the claimant rather padded his claim. I could not find any proof whatsoever for the claim of loss of certain material and for freight and cartage, amounting to $1,724.28. He has a detailed statement of expenses, but some of them are rather questionable. For instance, he puts in the value of his services at the rate of $35 per day. I think it would be fair if we were to put in the amount at $4,000, which would be a liberal allowance for this man.

I am not taking the position that this claimant is not entitled to some relief, but I think he is asking too much for the little work he did while he was negotiating for a building for a post-office station which the Government canceled.

Mr. FOSS. This contract was as follows: It was for the term of 20 years with the privilege of renewal for such additional time as the Government might desire, and the building to be erected at an annual rental of $6,350 for the first five years, $5,750 for the second five years, $5,150 for the third five years, and $4,550 for the fourth five years, and 4 per cent per annum thereafter, with an option of buying at the end of the period for $20,000.

Mr. STAFFORD. There is no question about what the contract was. The question is, what damages did he suffer in that short period of a few months, when the department notified him that there would not be any further need of

this projected postal station, because this publishing house had changed its headquarters.

Mr. FOSS. Let me call attention to the fact that he had bought his steel for the steel frame of the building, that it was fabricated, that he had ordered his lumber, and that he had leased the land from the Maine Central Railroad, which, of course, was for the nominal sum of $1 a year, but as I understand it, he holds that lease to-day and is holding it until it is settled. The Postmaster General advises that he thinks that if the man went to court with the case he would be awarded more.

Mr. STAFFORD. The gentleman states that he purchased the fabricated steel and lumber?

Mr. FOSS. Yes.

Mr. STAFFORD. There is nothing in the report to show that. Does the gentleman know that of his own knowledge?

Mr. FOSS. Yes; I have it in a letter which I have here.

Mr. STAFFORD. I have read the report of the Postmaster General, found in three finely printed pages, and did not find any such statement. If he purchased fabricated material and lumber, of course that is an item of expense that ought to be included.

Mr. FOSS. Then there are five years of interest on the money that he has had tied up.

Mr. STAFFORD. I do not wish to be too critical in these matters. If that is the fact, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection?

Mr. MOUSER. Mr. Speaker, I reserve the right to object. Will the gentleman accept an amendment as to the amount?

Mr. FOSS. What does the gentleman suggest?

Mr. MOUSER. Four thousand dollars.

Mr. FOSS. That is not enough. I would be willing to compromise if there was any reason for it, but here is a case where this man spent this money in 1925 or 1926. There are five or six years of interest.

Mr. MOUSER. He is not getting that amount.

Mr. FOSS. I know, but the court would take that into consideration if it went to court.

Mr. MOUSER. If the gentleman is not willing to accept an amendment, I fear I shall have to object.

Mr. FOSS. I think it ought to be at least $5,000.

Mr. MOUSER. Will the gentleman accept an amendment of $5,000?

Mr. FOSS. Yes.

Mr. MOUSER. I withdraw the objection subject to that amendment.

Mr. ARENTZ. Mr. Speaker, there is one other amendment I will like to add. Will the gentleman agree to another amendment correcting the text, not the amount.

Mr. FOSS. Yes.

The SPEAKER pro tempore. Is there objection?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is hereby authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Nelson E. Frissell, of East Templeton, Mass., the sum of $7,219.52. Such sum represents the money expended, the value of services performed, and the damages sustained by Nelson E. Frissell in connection with a contract with the Post Office Department for the construction and lease of a post-office building at Augusta, Me., which contract was canceled by the Post Office Department: *Provided*, That no part of the amount appropriated in this act in excess of 10 per cent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 per cent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor, and upon conviction thereof shall be fined in any sum not exceeding $1,000.

Mr. MOUSER. Mr. Speaker, I offer an amendment, which I have sent to the desk.

The Clerk read as follows:

Amendment by Mr. MOUSER: Page 1, line 6, strike out the figures "$7,219.52" and insert in lieu thereof "$5,000, in full settlement of all claims against the Government of the United States."

The amendment was agreed to.

The bill as amended was ordered to be read a third time, was read the third time, and passed.

A motion to reconsider was laid on the table.

CHARLES BERETTA, ISIDORE J. PROULX, AND JOHN J. WEST

The Clerk called the next bill on the Private Calendar, H. R. 3540, for the relief of Charles Beretta, Isidore J. Proulx, and John J. West.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Comptroller General of the United States is authorized and directed to cancel the claim of the United States against Charles Beretta as temporary substitute parcel-post carrier, Willows, Calif., at 60 cents per hour for a period from November 13, 1922, to December 31, 1924, and at 65 cents per hour from January 1, 1925, to March 31, 1926, in the sum of $723.55, representing payments to him as such employee for a period from November 13, 1922, to March 31, 1926, he having also held the position of temporary laborer, custodian service, Federal Building, Willows, Calif., for a period from November 13, 1922, to March 15, 1923, at $660 per annum (with $240 increase), the position of permanent laborer in said service at said place for period from March 16, 1923, to June 30, 1924, at $660 per annum (with $240 increase), and the position of permanent laborer in said service at said place for period from July 1, 1924, to March 31, 1926, at $960 per annum, and the combined amount of the per annum rates of compensation of such positions being in excess of $2,000 per annum, contrary to the provisions of section 6 of the act of May 10, 1916 (39 Stat. L., p. 120), as amended by the act of August 29, 1916 (39 Stat. L., p. 582).

SEC. 2. That the Comptroller General of the United States is further authorized and directed to release Isidore J. Proulx, former postmaster at Willows, Calif., from liability to the United States for payments to said Charles Beretta for the period from November 13, 1922, to September 8, 1924, amounting to $349.20; and to release John J. West, present postmaster at Willows, Calif., from liability to the United States for payments to said Charles Beretta for the period from September 9, 1924, to March 31, 1926, amounting to $374.35; and to repay said John J. West said amount of $374.35 refunded by him to the United States.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

A motion to reconsider was laid on the table.

SAME GIACALONE AND SAME INGRANDE

The Clerk called the next bill on the Private Calendar, H. R. 3604, for the relief of Same Giacalone and Same Ingrande.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Same Giacalone and Same Ingrande, of San Diego, Calif., in full settlement against the Government, the sum of $459.55, the actual cost of repairing the damage caused to the vessel *Cornell*, owned by said Same Giacalone and Same Ingrande, by the United States Coast Guard boat *Imp*, together with the sum of $240 for loss of the use of said boat *Cornell* while same was being repaired.

Mr. MOUSER. Mr. Speaker, I offer a perfecting amendment.

The Clerk read as follows:

Amendment by Mr. MOUSER: Page 1, in line 6, after the word "settlement," insert the words "of all claims and demands."

The amendment was agreed to.

Mr. MOUSER. Mr. Speaker, I offer the usual attorney's fee amendment at the end of the bill.

The Clerk read as follows:

Amendment by Mr. MOUSER: At the end of the bill insert the following:

"*Provided*, That no part of the amount appropriated in this act in excess of 10 per cent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 per cent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the pro-

visions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The amendment was agreed to.

The bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed.

A motion to reconsider was laid on the table.

GENEVIEVE M. HEBERLE

The Clerk called the next bill on the Private Calendar, H. R. 4230, for the relief of Genevieve M. Heberle.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. BLANTON. Mr. Speaker, with the amendment that it shall be in full settlement, I shall not object, but that amendment should be added.

Mr. MOUSER. I was about to make the same suggestion, Mr. Speaker.

Mr. BLANTON. After the figures "$2,000," insert the words "in full settlement."

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Genevieve M. Heberle the sum of $10,000 for personal injuries sustained when she was struck and seriously injured by an automobile truck of the United States Postal Service in the city of St. Paul, Minn., on July 3, 1923.

With the following committee amendment:

Page 1, line 6, strike out "$10,000" and insert in lieu thereof "$2,000."

Mr. BLANTON. Mr. Speaker, I offer an amendment to the committee amendment.

The Clerk read as follows:

Amendment to the committee amendment offered by Mr. BLANTON: Page 1, line 6, after the figures "$2,000," insert the words "in full settlement."

The amendment to the committee amendment was agreed to.

The committee amendment as amended was agreed to.

The Clerk read the next committee amendment, as follows:

Page 1, line 9, after the figures "1923," insert "*Provided*, That no part of the amount appropriated in this act in excess of 10 per cent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 per cent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendment was agreed to.

The bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed.

A motion to reconsider was laid on the table.

LIEUT. COL. H. H. KIPP, UNITED STATES MARINE CORPS, RETIRED

The Clerk called the next bill on the Private Calendar, H. R. 4264, for the relief of Lieut. Col. H. H. Kipp, United States Marine Corps, retired.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Lieut. Col. H. H. Kipp, United States Marine Corps, retired, the sum of $243.19. Such sum represents the amount deducted from the pay of Lieutenant Colonel Kipp for expenses incurred by the United States in transporting his wife and daughter from Mare Island, Calif., to Boston, Mass., less the cost of transportation of such dependents from the District of Columbia to Boston, Mass.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

A motion to reconsider was laid on the table.

W. R. M'LEOD

The Clerk called the next bill, H. R. 4310, for the relief of W. R. McLeod.

Mr. BLANTON. Mr. Speaker, with regard to this bill I want to call attention to what Hon. Walter F. Brown, the Postmaster General, has said:

The money was not protected in the manner prescribed by section 110, Postal Laws and Regulations, reading as follows:

"Postmasters must exercise all possible care for the protection of the public funds and property in their custody.

"When funds or postage stamps are left at night in offices unprovided with iron safes, they shall be kept in strong drawers or other fixed receptacles, which shall be securely fastened with good locks. The doors and windows of the office shall be made as secure as possible. The same precautions shall be taken when the post office is closed temporarily during the day."

Inasmuch as section 121 of the regulations requires postmasters at offices of the third class to remit all surplus postal funds whenever the amount equals or exceeds $100, a considerable portion of the postal funds reported lost in the burglary were overdue for remittance, which constitutes a further bar to allowance of credit.

It appearing that the loss resulted from negligence within the meaning of the law hereinbefore cited, I am unable to recommend favorable action on the proposed legislation, and the facts are submitted for the use of your committee and for such action as Congress may desire to take.

With such a report, Mr. Speaker, I am constrained to object.

Mr. GREEN. Will the gentleman withhold his objections?

Mr. BACHMANN. If the gentleman does not object, I shall object. I objected to this bill at the last session.

Mr. BLANTON. I do not shirk responsibility, and never have. When I feel it my duty to object, I object; and I shall not throw that burden upon the gentleman from West Virginia.

Mr. GREEN. Will the gentleman reserve his objection for a minute?

Mr. BLANTON. If the House is willing, I am.

Mr. GREEN. The report of the committee clearly shows the postmaster locked the door of the little post office. It clearly shows he took as much precaution as was in his power to take. It further shows the money was stolen and the department does not blame him or hold him responsible.

Mr. MOUSER. Will the gentleman yield?

Mr. GREEN. Certainly.

Mr. MOUSER. Two gentlemen have indicated they are going to object. Why take up the time of the House in view of that situation?

Mr. GREEN. I was just trying to explain to the House that this is only in line with a number of other bills that have been passed. It is customary to make reimbursement in such cases.

I hope the gentleman will not object, and that the bill will be passed.

Mr. BLANTON. I want to say to my friend from Florida that the postmasters must take care of the people's funds and they must obey the law.

Mr. MOUSER. Mr. Speaker, I demand the regular order.

Mr. BLANTON. Mr. Speaker, I object.

JOHN L. FRIEL

The Clerk called the next bill, H. R. 4925, for the relief of John L. Friel.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay to John L. Friel, out of any money in the Treasury not otherwise appropriated, the sum of $4,750 on account of damages sustained to his property through lack of protection to his property when Lock No. 4, Allegheny River, was constructed.

Mr. STAFFORD. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment by Mr. STAFFORD: Page 1, line 6, after the figures, strike out "on account of" and insert in lieu thereof the words "in full payment of all."

The amendment was agreed to.

Mr. STAFFORD. Mr. Speaker, I offer the customary attorney's fees amendment.

The Clerk read as follows:

Amendment by Mr. STAFFORD: At the end of the paragraph insert the following:

"*Provided*, That no part of the amount appropriated in this act in excess of 10 per cent thereof shall be paid or delivered to or

received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 per cent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time and passed, and a motion to reconsider laid on the table.

MARY F. CRIM

The Clerk called the next bill, H. R. 5058, for the relief of Mary F. Crim.

Mr. BLANTON. Mr. Speaker, reserving the right to object, if the gentleman will agree to accept an amendment reducing the amount from $10,000 to $2,500, as suggested by the committee, I shall not object.

Mr. WRIGHT. Mr. Speaker, I accept the amendment.

Mr. STAFFORD. Mr. Speaker, I have difficulty in bringing myself around to the feeling that the National Government has any obligation whatsoever to pay any money under the facts disclosed in the report in this case.

Mr. WRIGHT. Mr. Speaker, the facts are the deceased was subpœnaed by the United States Government as a witness for the Government in a Federal case at the Federal court in Columbus, Ga. He testified as a witness. After his testimony was concluded he went to the toilet in the court building, laid his revolver on the lavatory, and was sitting on the stool. Two court officials, one a court crier and one a bailiff, came in and knocked his pistol off of the lavatory onto the concrete floor. A cartridge exploded and the bullet struck the man. He died within a very short time. He would not have died or would not have been subject to the injury if he had not been called as a witness for the Government.

Mr. BACHMANN. Will the gentleman yield?

Mr. WRIGHT. I yield.

Mr. BACHMANN. According to the statement the gentleman has made, there is not a witness mentioned in the report who was an eyewitness of what happened. All you have is the report of a clerk who was not there. However, I do not mean to doubt the truth of the statement of the gentleman.

Mr. WRIGHT. The truth is the two witnesses are both dead, but this occurred right there in the court room. We have a witness whose testimony is in the record, who heard the report of the pistol and found this situation and heard the statement of the deceased.

Mr. BLANTON. He was an officer and had a right to carry a pistol.

Mr. WRIGHT. That is correct.

Mr. STAFFORD. It was merely an accident. I could not subscribe to the policy of paying out something for such an accident.

Mr. WRIGHT. Most anything might be called an accident. In private affairs, if a private individual opens a building and invites the public into it and does not keep it perfectly safe, he is responsible.

Mr. STAFFORD. The gentleman states the decedent was an officer of the State of Georgia?

Mr. WRIGHT. Yes.

Mr. STAFFORD. Why would he not be entitled to State compensation?

Mr. WRIGHT. There is nothing like that in the State.

The State was not responsible for his being there. The Government of the United States subpœnaed him.

Mr. STAFFORD. If an officer in the performance of his duty suffers an injury, the State is obligated to pay for any accident resulting in the course of his employment.

Mr. WRIGHT. It was not a State court.

Mr. STAFFORD. I do not like to barter as to the amount to be carried in the bill. I just can not see any obligation, but if the gentleman will accept $2,000 I think that will be a very fair amount.

Mr. WRIGHT. I will accept that.

The SPEAKER pro tempore. Is there objection?

Mr. MOUSER. Mr. Speaker, I object, if this is the case I have in mind, where this man was accidentally hurt by a pistol he laid on the lavatory. In that case it was clearly an accident and it was no fault on the part of the Government.

Mr. WRIGHT. But the pistol was knocked off by court officials.

Mr. MOUSER. But they are not in the position of being agents of the Government.

Mr. WRIGHT. They were there representing the Government and they were officers of the court.

Mr. MOUSER. It was purely an accident. Of course, the man who was injured was negligent in putting the pistol on the lavatory.

Mr. BLANTON. He had to put it somewhere.

Mr. WRIGHT. He could not keep it in his hip pocket while he was sitting on the stool.

Mr. BLANTON. If he had not been summoned to attend court, he would have been at home and would have been safe.

Mr. MOUSER. The fact that he was subpœnaed to attend the court does not have anything to do with the fact that he was injured in the toilet.

Mr. WRIGHT. It was an incident of the whole transaction.

Mr. MOUSER. Mr. Speaker, I object.

LAURA GOLDWATER

The Clerk called the next bill, H. R. 5149, for the relief of Laura Goldwater.

Mr. MOUSER. Mr. Speaker, I object.

Mr. BLOOM. Will the gentleman withhold his objection?

Mr. MOUSER. I will withhold it; yes.

Mr. BLOOM. This is a very meritorious case. This truck was traveling on a 1-way street. There is no testimony of any of the witnesses under oath that this woman was at fault. This woman spent $7,020 of her own money for hospital and doctors' bills. This bill has been favorably recommended by the committee in two different Congresses. If the gentleman desires to ask me any questions I will be glad to show him that this is a meritorious case.

Mr. MOUSER. I presume the gentleman will agree with the facts as shown in the report, that at about the time this truck was approaching the intersection this woman stepped out toward the street car tracks and the driver, exercising his sense of sight, saw her and swerved to the left to avoid striking her, but she deliberately went forward instead of backward, and stepped against the side of the truck. I sympathize with the lady who was injured and the fact she had to spend this large sum of money, but I can not see any responsibility on the part of the Government. The driver of the truck was entirely faultless.

Mr. BLOOM. Let me explain to the gentleman that this truck was coming down the wrong way on a one-way street. In other words, it was a westbound street and he was going east, which he had no right to do.

Mr. BACHMANN. There is nothing to that effect in the report.

Mr. BLOOM. I beg the gentleman's pardon. The report shows that in the lady's statement.

Mr. BACHMANN. I think the report shows that the driver of the truck was not negligent. If the report shows that the driver was going in the wrong direction on a 1-way street, that would be negligence.

Mr. MOUSER. I would concede that, but we certainly would have to have some corroborative evidence supporting the statement of the lady that it was a 1-way street.

Mr. BLOOM. It was a 1-way street. There is no contradiction of the fact that it was a 1-way street, only the driver said he did not come down that street but came around on Third Avenue. There is no statement on the part of anybody under oath outside of the statement made by Mrs. Goldwater and the doctors.

Mr. MOUSER. Why not permit this bill to be passed over in order that the gentleman may furnish some corroborative evidence?

Mr. BLOOM. I have given up the night for this and have spent several nights waiting for this bill to be called.

Mr. MOUSER. I have the very highest respect for the gentleman and I know he is sincere in presenting this bill; but we can not raid the Treasury on the mere ground of sympathy.

If the gentleman wants us to give her a present of this small amount, and no objection is made——

Mr. BLOOM. No; I would not come before the House and ask for any present.

Mr. MOUSER. No; I do not believe the gentleman wants that.

Mr. BLOOM. If the gentleman will examine the report, he will find there is no statement under oath about what the driver has said in the matter. There is a statement from the inspector, but that statement is not under oath. The only statements under oath are the statement from the doctor and the statement from Mrs. Goldwater. There were no witnesses to the accident.

Mr. MOUSER. No; but it is to be presumed the inspector got a statement from the driver.

Mr. BLOOM. Then why did they not submit a statement from the driver made under oath? The statement of Mrs. Goldwater is under oath, and, if there is no contradictory statement, her statement should stand unchallenged.

The situation was just the same as if the gentlemen were standing on a corner and, naturally, would not expect the driver to drive down a 1-way street. The gentleman would have every right to believe that no driver would be coming in that direction.

Mr. MOUSER. As I understand from members of the Claims Committee, the committee does not include in its report, on account of the space and the expense involved, all the evidence, and therefore we must base our opinion upon the report of the committee.

Mr. BLOOM. The chairman of the Claims Committee in the Seventy-first Congress and the chairman of the Claims Committee in the Seventy-second Congress reported this bill favorably, and there is nothing in the report contradictory of the statements made by Mrs. Goldwater. If the gentleman could show me a thing in the report that contradicts any of her statements, I would not press the bill for consideration.

Mr. BACHMANN. Will the gentleman yield?

Mr. BLOOM. I shall be pleased to yield.

Mr. BACHMANN. Did this accident happen on a 1-way street?

Mr. BLOOM. No; as I have stated, it happened about 5 or 10 feet off of the street. This woman was standing by the Third Avenue elevated and the truck was coming down the street, and she started to go across the street, not thinking the truck would be coming down a 1-way street, and the truck hit her.

Mr. MOUSER. If the gentleman from New York will agree to an amendment making the amount $2,500, I shall not object.

Mr. BLOOM. I presume I shall have to agree to that.

Mr. MOUSER. I make this suggestion in view of the statement of the gentleman, who apparently is acquainted with the facts, although his statement is somewhat at variance with the record.

Mr. BLOOM. I am acquainted with the facts only according to the record in the case. I was not at the accident, of course.

Mr. MOUSER. Does the gentleman know this woman?

Mr. BLOOM. No; but she is a constituent of mine.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Laura Goldwater the sum of $20,000 for damages suffered by her by reason of being struck and seriously injured by a Government mail truck.

With the following committee amendment:

Page 1, line 6, strike out "$20,000" and insert "$5,000."

Mr. MOUSER. Mr. Speaker, I offer an amendment. In line 6, strike out "$5,000" and insert "$2,500" and the following: "in full settlement of all claims against the Government of the United States."

The Clerk read as follows:

Amendment offered by Mr. MOUSER: Page 1, line 6, amendment to the committee amendment: Strike out "$5,000" and insert in lieu thereof "$2,500, in full settlement of all claims against the Government of the United States."

The amendment to the committee amendment was agreed to.

The committee amendment as amended was agreed to.

Mr. MOUSER. Mr. Speaker, I offer another amendment. In line 6, after the word "her," insert the date of the accident, "on March 18, 1929."

The Clerk read as follows:

Amendment offered by Mr. MOUSER: Page 1, line 6, after the word "her," insert the words "on March 18, 1929."

The amendment was agreed to.

Mr. MOUSER. Also in line 8, after the word "truck," insert the words "in the city of New York."

The Clerk read as follows:

Amendment offered by Mr. MOUSER: Page 1, line 8, after the word "truck," insert the words "in the city of New York."

The amendment was agreed to.

Also the committee amendment:

Page 1, line 8, insert:

"*Provided*, That no part of the amount appropriated in this act in excess of 10 per cent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 per cent thereof, on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The amendment was agreed to.

The bill, as amended, was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

JOHN W. ADAIR

The Clerk called the next bill, H. R. 5187, for the relief of John W. Adair.

Mr. STAFFORD. Mr. Speaker, I object.

THOMAS J. BERRY

The Clerk read the next bill on the Private Calendar, H. R. 5362, for the relief of Maj. Thomas J. Berry.

The SPEAKER pro tempore. Is there objection?

Mr. STAFFORD. I object.

Mr. SCHAFER. Will the gentleman reserve his objection?

Mr. STAFFORD. I will.

Mr. SCHAFER. I was chairman of the subcommittee, and I attempted to state all of the facts as far as I could in the report. The beneficiary was a major during the war. A serious epidemic broke out in camp, and in order to protect the other soldiers the major ordered Private Sprouse taken to an isolation hospital.

Later some attorneys contacted the parents of this man, and they commenced a series of lawsuits throughout the country. The major was persecuted and harassed, and was required to pay expenses for legal services trying to protect himself from these many lawsuits. We found that the major was rendering service not only to the soldiers but also to Private Sprouse himself, and in no way was he negligent, but he was acting in the performance of his duty.

The bill covers the actual losses to the major by reason of the lawsuits. I studied the number of cases for legal work, and I found that the man's expenditure for legal services was very low indeed.

Mr. STAFFORD. Will the gentleman yield? My position was prompted by the attitude taken by the full Committee

on Military Affairs against allowing any claimant expenses that he might incur in attorney's fees in defending claims. In this case the Secretary of War says that this officer could have obtained without expense law officers of the Government to conduct the defense. It is on that theory that I marked the bill for objection.

Mr. SCHAFER. This officer was a medical man, and not a lawyer, and did not have knowledge of the intricate provisions of law. I doubt if at that time he could have obtained the services of attorneys for the Government all over the country, and if he did, I think the traveling expenses alone would have been many times the amount of this bill.

Mr. STAFFORD. Mr. Speaker, perhaps I would not be doing violence to the policy established by the Committee on Military Affairs if I permitted this bill to pass. I withdraw the objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $543.42 to Maj. Thomas J. Berry, commanding Companies C and D, Third Ohio Infantry, to reimburse him for expenses incurred in defending himself in suits instituted by relatives of Pvt. Seymour M. Sprouse, of Company C, Third Ohio Infantry.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

A motion to reconsider was laid on the table.

MARY F. CRIM

Mr. WRIGHT. Mr. Speaker, I ask unanimous consent to return to Calendar No. 241, H. R. 5058, for the relief of Mary F. Crim.

Mr. SCHAFER. Reserving the right to object, I understand the gentleman realizes there is an error in the printed bill. The bill calls for $10,000, and the committee recommended $2,500.

Mr. BACHMANN. Mr. Speaker, I object for the time being.

ARTHUR N. ASHMORE

The Clerk read the next bill on the Private Calendar, H. R. 7469, for the relief of Arthur N. Ashmore.

The SPEAKER pro tempore. Is there objection?

Mr. EATON of Colorado. I object.

Mr. JOHNSON of Texas. Will the gentleman withhold that objection?

Mr. EATON of Colorado. I will.

Mr. JOHNSON of Texas. This identical bill has passed the House three times. I suppose the gentleman objects on the ground that the Secretary of War in the report indicates that the injured party was not in the employ of the Government?

Mr. EATON of Colorado. Yes.

Mr. JOHNSON of Texas. Mr. Speaker, I call attention to an error contained in that report as to the facts in the case, and also as to the law governing the particular facts in the case. In the report of the Secretary of War he says:

In this connection attention is invited to the fact that the wording of the bill, in line 10, citing Battery B, One hundred and thirtieth Field Artillery, as belonging to the "National Guard of the United States," is misleading, the correct designation being "Texas National Guard."

I submit to the gentleman the discharge prepared in this case, which shows that the bill was drafted in accordance with the language prescribed by the War Department, "National Guard of the United States," and it was not the Texas National Guard.

Mr. EATON of Colorado. Yes; and we always do in court, in a case like this, we look at the exhibit, read the next line, and find it reads, "and of the State of Texas."

Mr. JOHNSON of Texas. The report says it should say the Texas National Guard, which is not correct. It is the National Guard of the United States. This young man was detailed to the care of property that was en route to the National Guard encampment. In the discharge of that duty, in going from one car to another he fell from the train and lost his arm, which was cut off so high up to the armpit that even an artificial arm can not be used. I have a brief here in respect to the law which I would like to discuss with the gentleman if I had the time. Under the law creating the National Guard it is required that the National Guard unit attend these encampments. The pay which this man was receiving as a caretaker being detailed to guard this property was paid by the Federal Government.

The property he was guarding at the time he lost his arm belonged to the Government of the United States. The oath that he took when he became a member of the National Guard is prescribed by the statute of the United States. The discharge that he received after he received the injury is upon a form prescribed by the statutes of the United States. He was guarding property belonging to the United States; he was paid by the United States; in the employ of the United States at the time he received his injury; and he was en route to an encampment which the law required him to attend as a member of the National Guard. It occurs to me that under the rule governing cases of this kind the doctrine of master and servant would obtain. In addition to that, the young man is now in a hospital with tuberculosis and is in a very low state of health, probably will never get well. The Government recognized that he was in the employ of the Government at the time for they paid for some medical bills when he was injured.

Mr. EATON of Colorado. Everything the gentleman says is entirely consonant with the services of an enlisted man or officer in the National Guard; that is, in the great opportunity of being an attendant with the United States Army in connection with annual maneuvers. I find in this group of bills that apparently there is a movement on foot now to charge the United States Government with the results of accidents that occurred during that period. Heretofore most of the States have borne the cost of such accidents. Perhaps the State of Texas never has, and maybe it never will, but I can not see, after examining a few cases and my recollection of other cases in days gone by, why there should be a charge made against the United States Government for this most unfortunate accident. It is a very distressing case; the man has lost an arm, but there is no liability or even a duty on the part of the United States Government to take care of him. The fact that he was taken care of was merely an incident to the immediate service, and then he might or might not be transported to his State, depending on circumstances of the case, but not on any question of liability.

Mr. PURNELL. What does the gentleman say in answer to the statement that he was working under orders.

Mr. JOHNSON of Texas. He was detailed as a caretaker.

Mr. PURNELL. And as such he was acting under authority from which he could not remove himself.

Mr. JOHNSON of Texas. That is true.

Mr. MOUSER. At the time these men are going to the national encampment they receive Federal pay and they are actually in the Federal service, so that it seems to me that he was a Federal soldier at that time, the same as a man in the Regular Army. I think there is that distinction.

Mr. EATON of Colorado. Mr. Speaker, I object.

Mr. PURNELL. I would like to pursue this case a little farther.

Mr. JOHNSON of Texas. He received his injury while protecting property belonging to the United States and was being paid for his services at that time by the United States.

Mr. PURNELL. Would it have been possible for this soldier to have forsaken his duty at any point along the line?

Mr. EATON of Colorado. It is never the province of any soldier at any time whether in the National Guard or the Federal service to forsake his duty, but when an accident occurs and a claim arises he must go to the responsible source, and whether it is the State from which his National Guard unit comes or the United States depends on the circumstances of the case.

The United States and the War Department have no liability and accept no responsibility in connection with certain cases, and according to the statement of the Secretary of War this is one of those cases. It is unfortunate that the

State will not take care of this man and is trying to pass off the liability to the United States.

Mr. PURNELL. It is the position of the gentleman that the States should take care of these cases rather than the Federal Government?

Mr. EATON of Colorado. Exactly.

The SPEAKER pro tempore. Is there objection?

Mr. EATON of Colorado. Mr. Speaker, I object.

JOSEPH A. M'CARTHY

The Clerk called the next bill on the Private Calendar, H. R. 925, for the relief of Joseph A. McCarthy.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. STAFFORD. Mr. Speaker, reserving the right to object, this is an accident which occurred prior to the passage of the compensation act of 1916.

Mr. RUDD. Will the gentleman yield?

Mr. STAFFORD. I yield.

Mr. RUDD. The compensation act, as I understand it, was for the purpose of stopping laches. This man is not guilty of laches, because, as a matter of fact, while the injury was sustained in the fall of 1912, he was kept in the hospital until December, 1913; and two weeks thereafter, on January 2, 1914, he filed his claim and has been endeavoring ever since to get some relief. As a matter of fact, the bill was reported out in the Sixty-sixth Congress and not reached. It was reported in the Seventy-first Congress and not reached. The man's leg was broken. It is 1 inch shorter than the other leg. All he is asking is $1,000 for permanent injury and $650 for wages.

Mr. STAFFORD. The report shows that this seaman was in service shortly afterward. The Government has been generous in keeping him in employment at his regular pay. I feel constrained to object.

Mr. RUDD. The gentleman does not want to give him anything for his permanent injury?

Mr. STAFFORD. He has been in service continually.

Mr. RUDD. No. He is not in service now.

Mr. STAFFORD. He was returned to duty as seaman on the transport *Logan* and is now in service on the transport.

Mr. RUDD. That was in 1914.

Mr. STAFFORD. But he was able to do his work.

Mr. RUDD. For perhaps six months.

Mr. STAFFORD. And now the gentleman is asking the Government to pay $1,650.

Mr. RUDD. We want $1,000 for the permanent injury. One leg is 1 inch shorter than the other and the gentleman does not propose to give him anything for that? Even though he is able to work he is not as able as he was formerly.

Mr. STAFFORD. Why did he not receive the one year's compensation, as provided in the compensation act then in force?

Mr. RUDD. I do not know. He has been trying ever since 1914.

Mr. STAFFORD. The law permitted him to receive one year's salary.

Mr. RUDD. But he has never received it.

Mr. STAFFORD. Mr. Speaker, I will go over this matter further. For the time being I object.

JACOB D. HANSON

The Clerk called the next bill on the Private Calendar, H. R. 7449, for the relief of the heirs of Jacob D. Hanson.

There being no objection, the Clerk read as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the heirs of Jacob D. Hanson, the sum of $5,000 for all damages suffered by reason of the said Jacob D. Hanson's being shot and fatally injured, without cause or justification, while traveling on a highway near Niagara Falls, N. Y., on the night of the 5th of May, 1928, by two members of the United States Coast Guard, the said members being then and there on duty as coast guardsmen and acting as such.

Mr. BLANTON. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment by Mr. BLANTON: In line 6, after the word "damages," insert the words "and in full settlement of all claims against the Government for injuries."

The amendment was agreed to.

Mr. BLANTON. I offer, at the end of the bill, the usual attorney's fee amendment.

The Clerk read as follows:

Amendment by Mr. BLANTON: At the end of the bill insert the following:

"*Provided*, That no part of the amount appropriated in this act in excess of 10 per cent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 per cent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The amendment was agreed to.

The bill, as amended, was ordered to be engrossed and read a third time, was read the third time, and passed.

A motion to reconsider was laid on the table.

VALIDATING CERTAIN CONVEYANCES BY CENTRAL PACIFIC RAILWAY CO., ETC.

The Clerk called the next bill on the Private Calendar, H. R. 406, to validate a certain conveyance heretofore made by Central Pacific Railway Co., a corporation, and its lessee, Southern Pacific Co., a corporation, to Pacific States Box & Basket Co., a corporation, involving certain portions of right of way in the vicinity of the town of Florin, county of Sacramento, State of California, acquired by the Central Pacific Railway Co. under the act of Congress approved July 1, 1862 (12 Stat. L. 489), as amended by the act of Congress approved July 2, 1864 (13 Stat. L. 356).

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. ARENTZ. Mr. Speaker, reserving the right to object, has the gentleman from California been near this village or city where this lot is located, and is it valuable property?

Mr. EVANS of California. I have been there several times, but I was not conscious of it.

Mr. ARENTZ. The gentleman does not think it is worth very much?

Mr. EVANS of California. The property in this little country place is not very valuable.

Mr. ARENTZ. I understand that all land in California is valuable.

Mr. EVANS of California. Well, especially in southern California, that is quite true.

Mr. ARENTZ. This is not in southern California.

Mr. EVANS of California. This is in northern California.

Mr. ARENTZ. Mr. Speaker, I withdraw my reservation of objection.

Mr. SCHAFER. Reserving the right to object, about what is the total value of this land?

Mr. EVANS of California. I am unable to state as to the total value of it. I will say, however, to the gentleman that this property has been in private ownership for 40 years. It is nine-tenths of an acre. I am not sure as to the value of it, but I know it has been in private ownership for 40 years, and this basket factory has been on this property for more than 30 years.

Mr. ARENTZ. I do not see how any objection can be found to this bill. Our Committee on Public Lands investigated it quite thoroughly. I do not believe the land is worth very much.

Mr. EVANS of California. The gentleman from Nevada and other Members of Congress validated 42 of this kind of conveyance at the last session of Congress.

Mr. SCHAFER. This basket company purchased the land, believing that the railroad company from whom the purchase was made had full title?

Mr. EVANS of California. Yes.

Mr. SCHAFER. And would be able to give title?

Mr. EVANS of California. Yes.

Mr. SCHAFER. And now they find there is a cloud on the title?

Mr. EVANS of California. By construction of the Supreme Court of the United States, the courts have held that the railroad company had not the technical right to convey fee simple title, and that the right of prescription could not apply, even though it has been 40 years.

Mr. SCHAFER. This bill will not result in a charge on the Treasury of the United States?

Mr. EVANS of California. Absolutely not; and the department approves it.

The SPEAKER pro tempore. Is there objection?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the conveyance in the form of a quitclaim deed executed by Central Pacific Railway Co., a corporation, and its lessee, Southern Pacific Co., a corporation, as grantors, to the Pacific States Box & Basket Co., a corporation, as grantee, under date of October 20, 1930, and recorded in the office of the county recorder of Sacramento County, Calif., on the 3d day of November, 1930, in book No. 321, page , official records of said county, involving certain lands or interests therein in the vicinity of the town of Florin, county of Sacramento, State of California, and forming a part of the right of way of said Central Pacific Railway Co. granted by the Government of the United States of America by an act of Congress approved July 1, 1862, entitled "An act to aid in the construction of a railroad and telegraph line from the Missouri River to the Pacific Ocean and to secure to the Government the use of the same for postal, military, and other purposes" (12 Stat. L. 489), and by said act as amended by act of Congress approved July 2, 1864, entitled "An act to amend an act entitled 'An act to aid in the construction of a railroad and telegraph line from the Missouri River to the Pacific Ocean, and to secure to the Government the use of the same for postal, military, and other purposes,' approved July 1, 1862" (13 Stat. L. 356), is hereby legalized, validated, and confirmed with the same force and effect as if the land involved therein had been held at the time of such conveyance by the above-named grantors making the same under absolute fee-simple title: *Provided*, That such legalization, validation, and confirmation shall not diminish said right of way to a width less than 50 feet on either side of the center of the main track or tracks of said Central Pacific Railway Co. as now established: *Provided further*, That nothing herein contained is intended or shall be construed to legalize, validate, or confirm any rights, titles, or interests based upon or arising out of adverse possession, prescription, or abandonment, and not confirmed by conveyance heretofore made by Central Pacific Railway Co. and its lessee, Southern Pacific Co.: *And provided further*, That there shall be reserved to the United States all oil, coal, or other minerals in the land, and the right to prospect for, mine, and remove the same under such rules and regulations as the Secretary of the Interior may prescribe.

With the following committee amendment:

Page 2, line 6, after the word "page," insert the figures "380."

The committee amendment was agreed to.

The bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed.

A motion to reconsider was laid on the table.

EDNA M. GILSON

The Clerk called the next bill, H. R. 1226, for the relief of Edna M. Gilson.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Postmaster General be, and he is hereby, authorized and directed to credit the accounts of Edna M. Gilson, postmaster at Steubenville, Ohio, in the sum of $1,389.80, due the United States on account of the loss of postal funds resulting from larceny and embezzlement.

The bill was ordered to be engrossed and read a third time, was read the third time and passed, and a motion to reconsider laid on the table.

MARY F. CRIM

Mr. WRIGHT. Mr. Speaker, I ask unanimous consent to return to Calendar No. 241, the bill (H. R. 5058) for the relief of Mary F. Crim.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Georgia?

Mr. BACHMANN. Mr. Speaker, a parliamentary inquiry. If unanimous consent is granted, will we still have the right to reserve the right to object?

The SPEAKER pro tempore. Yes.

There was no objection.

Mr. BLANTON. It is understood that the amendment agreed to by the gentleman from Georgia is to be offered and accepted?

Mr. WRIGHT. Two thousand dollars; yes.

Mr. BLANTON. In full settlement?

Mr. BACHMANN. Mr. Speaker, reserving the right to object, there are two propositions involved in the bill to which attention should be paid. The first question that arises is whether or not there is any moral responsibility resting on the Government of the United States to reimburse a claimant for a purely accidental death. The second is that this is a case where a man lost his life. It is a serious matter, and such matters are usually investigated by police officials. In this case it happened in the Federal court building. There certainly must be some record at some place, either in the files of the city police department of this city or in the Federal court, from which it would appear who was responsible for the man's death. The report does not show anything of the kind. The report contains two newspaper articles, one of which says some person unknown who had been summoned in court as a witness knocked the gun off the lavatory and it exploded and killed the man.

Mr. WRIGHT. That is the newspaper report.

Mr. BACHMANN. That is the newspaper report quoted here in the form of an affidavit, saying that the newspaper report is a true report of the accident.

Mr. WRIGHT. A true report of what appeared in the newspaper.

Mr. BACHMANN. Yes; of what appeared in the paper with reference to the accident.

Mr. WRIGHT. That is all.

Mr. BACHMANN. The other affidavit is that of a deputy clerk of the Federal court. The accident happened in 1917, and the deputy court clerk makes an affidavit 10 years later, in 1927, in which he says he was not an eyewitness, but as he recalls the facts, this man Whatley walked in and knocked the gun off the lavatory when it exploded and killed the deceased.

If the gentleman from Georgia can supply any facts he may have personal knowledge of to supplement the report and will say to the House as a Member of the House that Whatley being the man who was in there and who was the court crier connected with the Federal court, knocked this gun off, I shall not object.

Mr. WRIGHT. A court record, of course, is kept of all these things, but the deputy clerk makes this affidavit, stating what report was made after the man was shot, that these two court officials, Whatley and Lawshe, went into the toilet and the pistol was knocked off by one or the other of them, he thinks Whatley.

There is an affidavit here by Mr. Clegg, who said:

After the said J. M. Crim had been carried to the said marshal's office, the court bailiff, apparently about 65 or 70 years of age, slim built, height about 5 feet 10 inches, and weight about 150 pounds, came into the marshal's office, apparently very much excited and nervous, and inquired as to how bad Mr. Crim was hurt. On being told of the serious nature of the wound, this man then stated that he regretted having caused the accident, and deplored the same.

Mr. BACHMANN. How far did Crim live from the town where Federal court was being held?

Mr. WRIGHT. About 40 miles.

Mr. BACHMANN. Is it likely he would not know the officials who were connected with the court, either the court crier or the bailiff?

Mr. WRIGHT. He might not know them under the circumstances. These officials came from Atlanta, Ga., which is the seat of the court, Columbus being simply a division of the court. They would go down to court and stay there during the session.

Mr. BACHMANN. In his own statement, made after he was shot, he said he did not know who the man was that came in there.

Mr. WRIGHT. He would not have known these people.

Mr. RAMSPECK. I will tell the gentleman from my own knowledge of the case that these men were from the office of the United States marshal in Atlanta.

The reason I happen to know about it is that in the first part of 1917, shortly after this happened, I became chief deputy in the United States marshal's office. I am familiar with the facts about it from talking with the marshal himself. I think the report is substantially correct. My recollection is the marshal told me those facts.

Mr. BACHMANN. Was there no police record kept of this man being killed there in the Federal building? Did not the police headquarters in this town have a record of it?

Mr. WRIGHT. No; there was no occasion for it.

Mr. RAMSPECK. I could not answer that question, because I was not present.

Mr. BACHMANN. Would they not investigate how the man met his death?

Mr. WRIGHT. They admit it. There is no question about it.

Mr. BACHMANN. Do you not have a coroner's inquest to determine the cause of death?

Mr. WRIGHT. Not when there are eyewitnesses to the occurrence. In Georgia, where they have eyewitnesses, they do not have a coroner's inquest.

Mr. SCHAFER. Will the gentleman yield?

Mr. WRIGHT. Certainly.

Mr. SCHAFER. I imagine that if it were a case of selling a pint of beer or a pint of whisky they would have a record going back 25 years.

Mr. MOUSER. Will the gentleman yield?

Mr. WRIGHT. Certainly.

Mr. MOUSER. I have asked the gentleman to yield in order to explain what might be an apparent inconsistency in my position. When this bill was first reported I objected. When it was first brought to my attention I discussed the facts with the gentleman from West Virginia. He had a doubt in his mind as to whether or not there was actual negligence on the part of an agent of the Government or a servant of the Government as distinguished from a pure accident. In view of the additional information given by the gentleman from Georgia I am convinced that I might have been in error and I therefore do not object at this time.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay to Mary F. Crim, of Manchester, Ga., widow of the late J. M. Crim, out of any money in the Treasury not otherwise appropriated, the sum of $10,000. Such sum shall be in full settlement of all claims against the United States on account of the death of the said late J. M. Crim. While in attendance at the United States District Court for the northern district of Georgia, western division, on May 8, 1917, the said late J. M. Crim received a bullet wound which resulted in his death, on account of the discharge of a pistol, caused by an attendant or crier of such court: *Provided*, That no part of the amount appropriated in this act shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

Mr. BLANTON. Mr. Speaker, I offer an amendment. On page 1, in line 6, strike out "$10,000" and insert in lieu thereof "$2,000."

The SPEAKER pro tempore. The gentleman from Texas offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. BLANTON: Page 1, line 6, strike out "$10,000" and insert in lieu thereof "$2,000."

The amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

RELIEF OF THE LEGAL REPRESENTATIVES OF COBB, BLASDELL & CO.

The Clerk called the next bill, H. R. 2026, for the relief of the legal representatives of Cobb, Blasdell & Co.

Mr. SCHAFER. Mr. Speaker, I object.

Mr. CANFIELD. Will the gentleman withhold his objection?

Mr. SCHAFER. I will withhold my objection, but there is nothing the gentleman can bring to my attention to stop me from objecting to the consideration of this bill, which involves the payment of approximately $300,000 on an old, hoary Civil War claim for oats and wheat. There may also be barley in it. I think a bill of this size should not be taken up under unanimous consent.

Mr. MOUSER. Mr. Speaker, I object.

JACOB LANDRY

The Clerk called the next bill, H. R. 2418, concerning the claim of Jacob Landry.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That all the right, title, and interest of the United States in and to section 33, township 10 south, range 2 east, St. Helena meridian, Ascension Parish, La., containing 232.75 acres, as shown on a plat of survey made by August P. Pheps, deputy surveyor, approved on April 14, 1851, by R. W. Boyd, surveyor general for the district of Louisiana, and segregated thereon as the claim of Jacob Landry, be, and the same are hereby, released, relinquished, and confirmed by the United States to the equitable owners of the equitable title thereto and to their respective heirs and assigns forever, as fully and completely, in every respect whatever, as could be done by patents issued according to law: *Provided*, That this act shall amount only to a relinquishment of any title that the United States has, or is supposed to have, in and to any of said lands, and shall not be construed to abridge, impair, injure, prejudice, or divert in any manner any valid right, title, or interest of any person or body corporate whatever; the true intent of this act being to concede and abandon all right, title, and interest of the United States to those persons, estates, firms, or corporations who would be the equitable owners of said lands, by reasons of long continuous possession under color of title with claim of ownership, or otherwise, under the laws of Louisiana, including the laws of prescription and limitation, in the absence of the said interest, title, and estate of the United States.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

VALIDATING CERTAIN APPLICATIONS FOR AND ENTRIES OF PUBLIC LANDS

The Clerk called the next bill, H. R. 7674, validating certain applications for and entries of public lands, and for other purposes.

Mr. SCHAFER. Mr. Speaker, reserving the right to object, I would like to find out what the total cost to the Government of the United States will be if this bill is passed.

Mr. EVANS of Montana. It is my understanding there will be no cost whatever.

Mr. SCHAFER. Are there any oil or minerals in the land in question? I see there is no reservation of any oil or mineral rights.

Mr. EVANS of Montana. I do not know, and I am not prepared to say. The bill comes from the Interior Department, and they advise me there are four entries which ought to be patented, but for some technical reason they can not patent them.

Mr. SCHAFER. In these other bills, where we legalize these entries, there is a reservation with reference to mineral and oil rights. Why should they not be included in this bill?

Mr. ARENTZ. They should be.

Mr. SCHAFER. Unless an amendment is prepared to that effect I am going to object.

Mr. COLTON. If the gentleman will permit, I think he will find that the Government now includes those reservations in all of these entries. These are cases that arise during the administration of the Land Office each year. The equities are all with the entrymen; but because of techni-

calities in the law, title can not be granted; and they send omnibus bills of this kind every year and ask us to pass them.

Mr. SCHAFER. Why should we not carry a reservation of the mineral and oil rights in this bill the same as in other bills?

Mr. ARENTZ. That is perfectly right. We should do that.

Mr. COLTON. There is no objection to it.

Mr. SCHAFER. There is one more question I would like to ask. What is the effect of section 4, where you are taking away something from the Wasco County Electric & Water Power Co., without making any mention in the committee report as to the reason for that action. I notice that section 4 takes back the right of way that was granted to this company under the act of March 3, 1875.

Mr. ARENTZ. If the gentleman will read the sixth line from the bottom on page 3, he will find that:

The forfeiture of the grant would remove the cloud from the lands crossed by the right of way, and such action by the Congress is recommended.

Mr. SCHAFER. Does the Wasco County Electric & Water Power Co. need this right of way?

Mr. ARENTZ. Absolutely not, because the right of way is forfeited so as to remove the cloud on the title.

Mr. SCHAFER. But that does not answer my question. When you remove the cloud on the title, and give some citizen of this country title to the land, I do not want to approve a bill that is going to take something away from another citizen, be it an individual or a corporation.

Mr. ARENTZ. In view of the fact that the right of way was asked for, the road never built, and no construction work ever done, it is necessary——

Mr. SCHAFER. If that is the fact, and I am sure it is because the gentleman tells us so——

Mr. ARENTZ. I will read it.

Mr. SCHAFER. No; that is not necessary. When the gentleman makes a statement, I know it is correct. If the gentleman will offer the usual provision reserving the oil and mineral rights to the Government, I shall not object.

Mr. EVANS of Montana. I have no objection to such an amendment.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There was no objection.

Mr. EVANS of Montana. Mr. Speaker, I ask unanimous consent to substitute a similar Senate bill, S. 3111.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Montana?

There was no objection.

The Clerk read the Senate bill, as follows:

S. 3111

Be it enacted, etc., That the Secretary of the Interior be, and he is hereby, authorized and directed to allow Edward L. Dailey, of Priest River, Idaho, to make entry under section 7 of the enlarged homestead act (36 Stat. L. 531), for the east half of southwest quarter, southwest quarter of southwest quarter, south half of northwest quarter of southwest quarter, south half of north half of northwest quarter of southwest quarter, northeast quarter of northeast quarter of northwest quarter of southwest quarter, southeast quarter of southeast quarter of northwest quarter, and south half of southwest quarter of southeast quarter of northwest quarter, section 24, township 57 north, range 5 west, Boise meridian, Idaho, within the limits of Kaniksu National Forest, restored to entry under the provisions of the act of June 11, 1906 (34 Stat. L. 233).

SEC. 2. That the Secretary of the Interior be, and he is hereby, authorized and directed to accept final proof submitted by Eugene Johnson on December 27, 1929, in support of his homestead entry, Santa Fe, N. Mex., No. 054594, made on November 8, 1926, for lots 1 and 2, and south half of the northeast quarter, section 4, township 3 north, range 14 west, New Mexico principal meridian, and to issue patent upon payment therefor at the rate of $1.25 per acre.

SEC. 3. That the Secretary of the Interior be, and he is hereby, authorized and directed to issue patent upon isolated-tract application, Evanston, Wyo., No. 017020, filed by John Arambel on February 18, 1930, for the south half of the northeast quarter, section 17, township 24 north, range 106 west, sixth principal meridian, which was purchased by him at the appraised price of $3 per acre, under the provisions of section 2455 of the Revised Statutes, as amended, and on which cash certificate issued on April 11, 1930.

SEC. 4. That the right of way under the act of March 3, 1875 (18 Stat. L. 482), granted to the Wasco County Electric & Water Power Co. from a point in section 10, township 4 south, range 21 east, Willamette meridian, to a point in section 34, township 9 south, range 20 east, Willamette meridian, Oregon, be, and the same is hereby forfeited.

Mr. ARENTZ. Mr. Speaker, I offer an amendment as an additional section to the bill.

The Clerk read as follows:

Amendment offered by Mr. ARENTZ: Page 3, at the end of the bill insert a new section, as follows:

"SEC. 5. Patent issued hereunder shall contain a reservation, in the usual form, of all oil, gas, and other minerals to the United States."

The amendment was agreed to.

The bill, as amended, was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

A similar House bill, H. R. 7674, was laid on the table.

P. JEAN DES GARENNES

The Clerk called the next bill, H. R. 1420, for the relief of P. Jean des Garennes.

Mr. BLANTON. Mr. Speaker, I reserve the right to object. I am against the growing practice of picking out favored individuals here and there and granting them pensions, when you do not grant pensions to all other persons of the same age and circumstances. Such favoritism must stop.

The only service this man ever rendered the Government was while holding a nice comfortable remunerative position as teacher for 28 years in the Naval Academy and receiving $4,500 a year for it. Why should we pension him and not pension all other faithful teachers? If we are going to pension this man, we ought to pick out every other man and woman in the United States who has taught 28 years, and there are several hundred thousand of them in the United States, and pension all of them.

Mr. GAMBRILL. Let me say to the gentleman from Texas that this man did teach 28 years, and he is now 84 years of age.

Mr. BLANTON. Yes; and there are lots of similar cases where such teachers as faithful as he was do not receive any pension. I am against picking out the wives of former Presidents and granting them a pension when they are worth, perhaps, several hundred thousand dollars. I am against all such practices.

Mr. SCHAFER. Will the gentleman yield?

Mr. BLANTON. Yes.

Mr. SCHAFER. I notice when the bill granting Mrs. Woodrow Wilson a pension of $5,000 a year as long as she lives was on the Consent Calendar the gentleman did not object.

Mr. BLANTON. The gentleman is mistaken. I have objected to all such bills. I blocked the bill to grant a pension to Mrs. Theodore Roosevelt and the one for Mrs. Warren G. Harding and the one for Mrs. Woodrow Wilson just as long as one objection could stop them.

Mr. SCHAFER. How did the bill pass, then?

Mr. BLANTON. I was not here in Congress when that bill was passed granting a pension to Mrs. Woodrow Wilson. That passed during the interim that I was out of Congress.

Mr. BACHMANN. The gentleman from Texas was not a Member of the Congress at that time?

Mr. BLANTON. I was not here at the time that bill passed. I objected to every one that was presented while I was here and blocked them in each Congress as long as one man could block them.

Mr. SCHAFER. My recollection is that the gentleman was here, because I was tempted to object myself; but when the gentleman did not object, I did not.

Mr. BLANTON. No; the gentleman is entirely mistaken. If the gentleman will look up the record he will find I objected to every one of those special bills granting pensions to widows of deceased Presidents, who were all financially well fixed. I am uncompromisingly against showing such favoritism.

I object to this bill, Mr. Speaker.

DAVID J. MAHONEY

The Clerk called the next bill, H. R. 1853, authorizing the Secretary of the Navy to advance on the retired list of the Navy David J. Mahoney, retired, to chief boiler maker, retired.

Mr. STAFFORD. Mr. Speaker, I object.

FREDERICK L. CAUDLE

The Clerk called the next bill, H. R. 2125, to provide for the advancement on the retired list of the Navy of Frederick L. Caudle.

Mr. STAFFORD. Mr. Speaker, I object.

Mr. EATON of Colorado. Mr. Speaker, may I ask the gentleman to withhold his objection a moment?

Mr. STAFFORD. I withhold it.

Mr. EATON of Colorado. In the Seventy-first Congress there was a similar bill, and I had an opportunity to meet the objection of the gentleman. It was a bill of exactly the same character. It was the case of a man who was sent to the Fitzsimons Hospital about the time the Navy rule was changed as to when a man would be given an additional grade in his rank in the Navy. This man immediately upon receipt at the hospital was examined by the board and was then given retirement instead of keeping him there for a 90-day period before the retirement date became effective. In this case, had the retirement not been made shortly after his entrance in the hospital, the grade asked for in this bill would have become effective and the claimant would have received the benefit of it.

At that time, in the Seventy-first Congress, there were three cases; one was passed, and the gentleman from Wisconsin withdrew his objection. I trust he will do so in this case. I think under the circumstances this bill should be passed. In the last Congress it was passed in the Senate.

Mr. STAFFORD. The report shows the reason why this character of legislation should not be passed, and therefore I object.

ANNIE BRUCE

The Clerk read the next bill on the Private Calendar, H. R. 2686, granting six months' pay to Annie Bruce.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Navy be, and he is hereby, authorized and directed to pay out of the appropriation "Pay of the Navy, 1932," to Annie Bruce, widow of the late Lieut. Frank Bruce, United States Navy, an amount equal to six months' pay at the rate said Frank Bruce was receiving at the date of his death.

Mr. SCHAFER. Mr. Speaker, I rise in opposition to the bill, to obtain some information. This bill was reported out by the Naval Affairs Committee, and contains an appropriation. Under the rules of the House, the Naval Affairs Committee has no authority to appropriate, notwithstanding the fact that the distinguished chairman of the Foreign Affairs Committee has indicated that a certain class of bills carrying appropriations reported out by the Claims Committee, which has authority to appropriate, would be objected to, because they are not referred to the Foreign Affairs Committee, which has no authority to appropriate.

Mr. SWING. Does the gentleman make that as an argument against this case?

Mr. SCHAFER. I intended to object to this bill, but the unanimous-consent proceedings went through so fast that I did not hear the Chair ask for an objection. I want to find out why this bill has singled out this beneficiary to pay her six months of a lieutenant's pay.

Mr. SWING. Has the gentleman read the report? The report of the Navy Department sets forth completely why. There is a favorable report made by both the Navy Department and the committee. The bill was passed by the House in the last Congress, but was not reached in the Senate. It is a most meritorious bill.

Mr. STAFFORD. Will the gentleman yield?

Mr. SCHAFER. I would yield, but I want to get some information, and the gentleman from California, the author of the bill, has not given me that information. If he does not want to give the information, we will have to have a quorum here if the bill is to be passed.

Mr. STAFFORD. I think it is the farthest thought of the gentleman from California to be sarcastic, knowing that he is appealing to the grace of any Member when there is not a quorum present.

Mr. SCHAFER. If my distinguished colleague from Wisconsin can give me the information which I desire and show why this bill should pass——

Mr. STAFFORD. The existing law provides for the payment of six months' gratuity to the dependents of all naval officers when they die in service. There was a short interim when that law was repealed. This provides a gratuity for an officer who died during that interim when the law was not in force.

Mr. SCHAFER. Is this the only naval officer that would come under these circumstances?

Mr. STAFFORD. Oh, no; we have passed as many as 10 of these bills where naval officers died during that period, because it was the established policy prior to the repeal to pay the dependents of such officers who died in the service, and is the law to-day.

Mr. SCHAFER. Mr. Speaker, in view of the facts given by my colleague from Wisconsin, I will not object to the passage of the bill and will not raise a point of no quorum.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

A motion to reconsider was laid on the table.

DAVID ALBERT ROBESON

The next business on the Private Calendar was the bill (H. R. 2695) for the relief of David Albert Robeson.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Navy be, and he is hereby, authorized and directed to accept for enlistment in the Navy, without regard to physical or other qualifications, David Albert Robeson, formerly chief yeoman, United States Navy and United States Fleet Naval Reserve, in the rating held by him when last discharged and to transfer him immediately to the Fleet Naval Reserve in that rating: *Provided*, That no bounty, back pay, pension, or allowance shall be held to have accrued prior to the passage of this act.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

GEORGE W. STEELE, JR.

The next business on the Private Calendar was the bill (H. R. 6336) for the relief of George W. Steele, jr.

The SPEAKER pro tempore. Is there objection?

Mr. STAFFORD. Mr. Speaker, I reserve the right to object, in order to get some information from the author.

Mr. GAMBRILL. Mr. Speaker, this is a bill introduced by me at the request of the Navy Department. I have no interest in it outside of that. It is to correct the accounts of Captain Steele, who was a military attaché at Paris. Five naval officers were detailed in 1928 to go to Paris, France, and to Spain, for the purpose of perfecting themselves in the language of those countries. They were under orders to go there, and under orders were allowed $6 per diem. The amount was paid, $1,674, by Captain Steele. When his accounts came before the Comptroller General they were disallowed on the ground that the officers were entitled to only subsistence allowance, which, I believe, amounts to about 60 cents a day. These officers were required to go to Spain and to France. They were under orders to go there and were allowed the $6 a day.

Mr. STAFFORD. That is a pretty nice pleasure trip—to go at the direction of the Navy on a jaunt through France and Spain.

Mr. GAMBRILL. They were instructors at the Naval Academy at Annapolis, and were instructed to go to France and Spain in order to perfect themselves in the languages of those countries.

Mr. STAFFORD. Nevertheless, it was during the summer-vacation period, was it not?

Mr. GAMBRILL. Certainly.

Mr. STAFFORD. And that is the time when they enjoy their vacations.

Mr. GAMBRILL. Oh, no; that is the only time that they can get away from the Naval Academy.

Mr. STAFFORD. Why was not the position of the comptroller correct in refusing this $6 per day allowance?

Mr. GAMBRILL. The gentleman must know himself that one can not live in Spain and France on 60 cents a day. The allowance of $6 a day was a reasonable allowance.

Mr. STAFFORD. Mr. Speaker, I had this bill marked for objection, but the gentleman from Maryland has presented facts which causes me to withdraw my objection.

The SPEAKER pro tempore. Is there objection?

Mr. SCHAFER. Mr. Speaker, I reserve the right to object. This bill properly should have been sent to the Committee on Claims. It is about time that the Naval Affairs Committee, of which the author of this bill is a member, stops usurping the jurisdiction of the Claims Committee. However, this is a meritorious bill, and I shall not object, but I suggest in the future where there are bills that should go to the Claims Committee that the gentleman send them there.

Mr. GAMBRILL. Mr. Speaker, I have nothing to do with sending bills to different committees.

The SPEAKER pro tempore. Is there objection?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the Comptroller General of the United States is hereby authorized and directed to credit the accounts of George W. Steele, jr., captain, United States Navy, in the sum of $1,674, representing payments made by him to five officers of the Navy in accordance with orders of the Navy Department, which payments were disallowed by the Comptroller General.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

J. N. GORDON

The next business on the Private Calendar was the bill (H. R. 8777) for the relief of J. N. Gordon.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Comptroller General of the United States be, and he hereby is, authorized and directed to adjust and settle the claim of J. N. Gordon, arising out of the relinquishment of certain lands included in mineral entry, Denver, numbered 040111, for which the payments had theretofore been made, and to allow said claim in the amount of $382.50 in full and final settlement thereof.

SEC. 2. To enable the Comptroller General to carry out the provisions of this act there is hereby appropriated, out of that subdivision of the Confederated Bands of Utes 4 per cent fund to which the same was heretofore credited, the sum of $382.50 to pay this claim.

Mr. BACHMANN. Mr. Speaker, I move to strike out the last word. I do this to call the attention of the Members present to-night to the way this calendar has operated. The other day we worked under the new rule that the House adopted to handle the Private Calendar. We consumed over two hours' time and considered 13 bills under that new rule. Three of those bills were passed. In two hours' time to-night we have considered 33 bills, 22 of which have been passed favorably and 11 objected to.

Mr. RAMSPECK. Mr. Speaker, will the gentleman yield?

Mr. BACHMANN. Yes.

Mr. RAMSPECK. It might be well to state those bills that we considered under the new rule had previously been objected to under this procedure.

Mr. BACHMANN. That was the understanding, and that is the reason we should have made more time. It is quite evident from the way the House is considering the Private Calendar to-night that if we are going to clean up the bills that are on this Private Calendar before the adjournment of this session we ought to follow the rule of unanimous consent, such as we have followed to-night, and not go back to a proceeding under the new rule that some Members of the House thought would expedite the handling of bills on the Private Calendar.

Many of us are interested in these private bills. It is clearly evident that the proper and practical way to handle them is the way they have been handled under this unanimous-consent proceeding to-night. I hope during the rest of the session when the Private Calendar is being considered we will proceed under the unanimous-consent rule, as we have to-night, instead of under the new rule that was adopted by the House.

Mr. BLANTON. Mr. Speaker, I rise in opposition to the pro forma amendment.

I agree exactly with what the gentleman from West Virginia has said. We can not improve much on the old rules of this House. They are the result of a hundred years of study by men who have been just as smart as we are. If we want to pass the good bills, we had better take steps at once to abolish this new rule, which is unworkable, and go back to the old rule.

I am sorry we are about to lose the most valuable part of the very valuable services of the distinguished gentleman from West Virginia, Mr. BACHMANN, in this House. His being drafted by our Republican friends as minority whip is a distinct loss to the country. He has been taken away from us and put into a political job. Up to this time he has been one of the most valuable men in the House. He has not only helped us in watching the Private Calendar and the Consent Calendar with a great deal of success, and blocking bad bills, but he has been active here in helping us to frame all kinds of important legislation, and he rendered distinctive service on the Fish committee to stop the growth of communism in the United States. I am sorry we are about to lose him from active legislative service. Since he has been made Republican whip, from now on his time will be taken up mostly with politics. [Applause and laughter.]

Mr. MOUSER. Will the gentleman yield?

Mr. BLANTON. I yield.

Mr. MOUSER. I agree with all the gentleman from Texas has said about the distinguished gentleman from West Virginia [Mr. BACHMANN]; but I might add that, as a result of the great experience over long service in this House of the present occupant of the chair, the distinguished majority floor leader, we have been able to expedite the business of the evening. [Applause.]

The pro forma amendment was withdrawn.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

A motion to reconsider was laid on the table.

C. M. WILLIAMSON AND OTHERS

The Clerk called the next bill on the Private Calendar, S. 458, for the relief of C. M. Williamson, Mrs. Tura Liljenquist, administratrix of C. E. Liljenquist, deceased, Lottie Redman, and H. N. Smith.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. GRISWOLD. Mr. Speaker, reserving the right to object, this bill, No. 260 on the calendar, S. 458, is identical with H. R. 4393, which is at present No. 144 on the deferred calendar. This bill was given a great deal of consideration before the House at the previous hearing, and I object.

Mr. SMITH of Idaho. Will the gentleman reserve his objection for a moment?

Mr. GRISWOLD. I will.

Mr. SMITH of Idaho. I am sorry the gentleman takes this attitude, because this is certainly a very meritorious bill. This is a Senate bill and is identical with one that was introduced and reported favorably in the House not only in this session but in previous sessions. We feel that these people, for whose relief this legislation has been introduced, are entitled to favorable consideration, because they in good faith entered upon the land which was supposed to be irrigable by gravity, but as the Government progressed with the development of the irrigation project, it was found that these lands were on a knoll and they could not be irrigated by gravity, and consequently the water was not furnished them, although the Government collected maintenance and opera-

tion each year for furnishing the water which they did not furnish.

The entrymen, while waiting for the Government to put water on the higher land, bought power plants and paid a power company a vast amount, over $5,000, over a period of nine years. Then the Government, realizing that they had contracts with these individual entrymen, put in a siphon which enabled them to bring the water by gravity to these lands. These entrymen have acted in good faith, and the Government had a contract with them to furnish water and did not do it. This is for the relief of these people during the time they had to put the water there at their own expense.

Mr. MOUSER. Will the gentleman yield?

Mr. SMITH of Idaho. I yield.

Mr. MOUSER. I have carefully investigated this report and I can not help but agree with the report of the Committee on Claims, that this is a clear violation of a contract with the Government. The question arises, and it is broader than the amount involved, whether or not the United States Government, which can not be sued because of its sovereignty, is to be permitted to take advantage of that sovereignty by not recognizing these claims against it. The original report showed that this land was irrigable, and properly classified as such, and these people relied upon this contract to obtain water for the purpose of carrying on their farming activities. The Government violated the contract, and these people were compelled to purchase the water.

Mr. BLANTON. Will the gentleman yield?

Mr. MOUSER. I yield if I have the floor.

Mr. BLANTON. The Indian Commissioner says:

It would appear from the foregoing that the Government is not under obligation to pay these landowners for the sums expended by them in constructing and operating their pump machinery for their own benefit.

And Hon. Lyman Wilbur, Secretary of the Interior, says:

I can not recommend the passage of this bill.

What has the gentleman to say about that?

Mr. MOUSER. This question is broader than mere argument as to who should do the pumping. These people were deprived of their water, and I agree with the report of the committee, from the facts, as against the report of the bureau. The interest has been eliminated. Clearly, in a civil court, they would have been granted that interest. I know the gentleman is fair enough and a good enough lawyer to understand that.

Mr. FRENCH. Will the gentleman yield?

Mr. MOUSER. I yield.

Mr. FRENCH. And during all this period these claimants were paying their annual assessment charges to the Government.

Mr. STAFFORD. And they were making no claim whatsoever for installing the machinery.

Mr. BLANTON. Mr. Speaker, we can handle one of the gentlemen from Idaho, but not both of them at the same time.

Mr. MOUSER. Mr. Speaker, I think the claim is meritorious.

Mr. BLANTON. Mr. Speaker, I object to the bill.

WILLIAM J. NOWINSKI

The Clerk called the next bill, H. R. 1346, for the relief of William J. Nowinski.

Mr. STAFFORD. I object.

LIEUT. COMMANDER CORNELIUS DUGAN

The Clerk called the next bill, H. R. 2839, for the relief of Lieut. Commander Cornelius Dugan, retired.

Mr. STAFFORD. Mr. Speaker, I object.

Mr. EATON of Colorado. I object.

MINNIE HOPKINS

The Clerk called the next bill, H. R. 3624, for the relief of Minnie Hopkins.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That Minnie Hopkins, mother of Farris Carlton Hopkins, seaman, first class, United States Navy, who was killed by an explosion on the U. S. S. *Mississippi*, June 12, 1924, is hereby allowed an amount equal to six months' pay at the rate Farris Carlton Hopkins was receiving at the date of his death: *Provided*, That the said Minnie Hopkins establishes to the satisfaction of the Secretary of the Navy the fact that she was actually dependent upon her son, the late Farris Carlton Hopkins, at the time of his death.

SEC. 2. That the payment of the amount of money allowed and authorized to be paid to the said Minnie Hopkins is authorized to be made from the appropriation "Pay, subsistence, and transportation of Navy revenue."

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

JOE G. M'INERNEY

The Clerk called the next bill, H. R. 4226, for the relief of Joe G. McInerney.

Mr. EATON of Colorado. Mr. Speaker, I object.

Mr. McMILLAN. Will the gentleman withhold his objection.

Mr. EATON of Colorado. Yes.

Mr. McMILLAN. I do not know the reason the gentleman objects to this bill if the gentleman has read the report. The report shows that neither the Treasury Department nor the Navy Department has anything at all against this man's record.

Mr. EATON of Colorado. The man was dishonorably discharged, and because the records happen to be unavailable at the present time is no basis for such a statement.

Mr. McMILLAN. The records are not unavailable at the present time. The commandant of the Coast Guard says his office has no record of any dishonorable discharge.

Mr. EATON of Colorado. The man has his own dishonorable discharge, and the report so states.

Mr. McMILLAN. Yes; but let me tell the gentleman from Colorado exactly what has happened.

I have here a letter from the commanding officer of the ship. It is in the report. Here is a photostatic copy of a letter written three days after the man was discharged by the assistant engineer in charge of the ship on which he served, which I just received from him the other day:

This is to certify Joseph McInerney served as oiler on this vessel for the past 12 months. During that entire period on the *Forward* I have found him to be intelligent, industrious, willing, obedient, respectful, and never under the influence of liquor. Great pleasure is therefore taken in recommending him to any person or firm needing the services of such a man.

That is signed by Charles A. Root, assistant engineer of this ship.

I know this gentleman. I have known him 20 years. His reputation is unquestioned by anybody who knows him in my city.

I hope the gentleman from Colorado will not object unless he can show good grounds.

I will say to the gentleman from Colorado that the discharge was given him because of the fact that inadvertently, and he says that in his letter, he failed to salute an officer as he was coming off the ship. This is the cause of the discharge. This is the only ground on which the action was taken against him.

When the department has no record of any reason to the contrary why such a thing as that should exist, I hope the gentleman will not object.

The SPEAKER pro tempore. Is there objection?

Mr. STAFFORD. I believe the gentleman will have no objection to the customary saving clause that no bounty, back pay, pension, or allowance shall be held to have accrued prior to the passage of this act?

Mr. McMILLAN. That is provided in the bill.

Mr. STAFFORD. It is not in the customary phraseology.

Mr. McMILLAN. No; I have no objection to it.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That in the administration of any laws conferring rights, privileges, or benefits upon persons honorably discharged from the United States Coast Guard, their widows, children, and dependent relatives, Joe G. McInerney shall be held and

considered to have been discharged under honorable conditions as a coal heaver from the cutter *Forward* on December 13, 1902; but no pay or bounty shall be held to have accrued prior to the date of the enactment of this act.

Mr. STAFFORD. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. STAFFORD: On line 9, strike out the semicolon and the remainder of lines 9 and 10, insert a colon, and add the following: "*Provided*, That no bounty, back pay, pension, or allowance shall be held to have accrued prior to the passage of this act."

The amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

ROSCOE M'KINLEY MEADOWS

The Clerk called the next bill, H. R. 4271, for the relief of Roscoe McKinley Meadows.

Mr. STAFFORD. Mr. Speaker, I object.

Mr. MONTAGUE. Will the gentleman withhold his objection?

Mr. STAFFORD. Yes.

Mr. MONTAGUE. There are several bills of this particular character which have been passed, and several passed when the gentleman himself was present.

Mr. STAFFORD. I do not think there have been several, although there may have been one. I went over this very carefully, and I have no question but what it is objectionable, to my way of thinking.

Mr. MONTAGUE. The gentleman will notice that General Hines states:

From a review of all the evidence of record, it would appear that Mr. Meadows may be equitably entitled to some relief, but under the existing interpretations of law, you will realize that it is impossible for his case to be considered under the emergency officers' retirement act.

So he is between the upper and nether millstone. He could not be a regular officer nor could he come under the retirement act.

Mr. STAFFORD. He was a chaplain in the service?

Mr. MONTAGUE. Yes.

Mr. STAFFORD. And now wishes to be retired at a high salary. I will say to my friend from Virginia that I have taken this position in the Committee on Military Affairs with reference to bills of a similar character.

Mr. MONTAGUE. The gentleman has objected to some bills, but I notice he did not object to others.

Mr. STAFFORD. I wish the gentleman would call my attention to a case where I have even squinted at recognizing this policy.

Mr. MONTAGUE. I called the gentleman's attention to this bill once before.

Mr. STAFFORD. I will go over it again, but according to my present way of thinking I am strongly opposed to it. Mr. Speaker, I object.

ROLAND BALDWIN ESTEP

The Clerk called the next bill, H. R. 5011, for the relief of Roland Baldwin Estep, deceased.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. EATON of Colorado. Mr. Speaker, I object.

CHARLES W. EATON

The Clerk called the next bill, H. R. 6765, for the relief of Charles W. Eaton.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. STAFFORD. Mr. Speaker, I object.

RELIEF OF CERTAIN UNITED STATES NAVAL OFFICERS

The Clerk called the next bill, H. R. 1383, for the relief of certain United States naval officers.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That in construing the laws governing travel and travel allowances of naval personnel the travel performed by Ensigns R. E. Van Meter, F. M. Adamson, S. C. Anderson, G. H. Deiter, Paul Foley, jr., H. J. Hiemenz, C. V. Ricketts, C. E. Weakley, M. B. Wyatt, and F. R. Duborg; Midshipmen P. L. deVos, P. C. Evans, W. C. Ennis, D. W. Gladney, J. H. Hean, and H. M. Heiser, incident to their appearance December 7, 1929, before the State Committees of Selection for Rhodes Scholarships, under orders of the Navy Department, shall be held and considered to have been performed on public business and the Secretary of the Navy is hereby authorized and directed to pay them travel allowances therefor from the current appropriation, "Pay, subsistence, and transportation, Navy."

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

NOLEN N. REYNOLDS

The Clerk called the next bill, H. R. 1907, for the relief of Nolen N. Reynolds.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That in the administration of any laws conferring rights, privileges, and benefits upon honorably discharged sailors, Nolen N. Reynolds, who served as a fireman, third class, United States Navy, shall hereafter be held and considered to have been honorably discharged from the naval service of the United States on June 6, 1922: *Provided*, That no bounty, back pay, pension, or allowance shall be held to have accrued prior to the passage of this act.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

JOSEPH B. LYNCH

The Clerk called the next bill, H. R. 3420, for the relief of Joseph B. Lynch.

Mr. STAFFORD. Mr. Speaker, I object.

Mr. DALLINGER. Will the gentleman withhold his objection?

Mr. STAFFORD. I will.

Mr. DALLINGER. There is a favorable report from the Navy Department on this bill.

Mr. STAFFORD. There are many favorable reports from the Navy Department on questionable bills.

Mr. DALLINGER. This is a case where this man filed his application but they lost his application in the Navy Department. The report says:

In view of the fact that Lieutenant Lynch requested reenrollment within four months of the date of the expiration of his previous enrollment, and that he was not reenrolled from any fault of his own, the committee feels that his request should be granted.

Then there is a letter from the Secretary of the Navy. It was entirely the fault of the Navy Department and they admit it.

Mr. STAFFORD. This man was in the Naval Reserve. Within four months of the expiration of his first service he applied for reenrollment and there was nothing heard from his application until two years later. You are now asking to have him granted privileges as if he had been enrolled at the time of his original application.

Mr. DALLINGER. He should have been enrolled.

Mr. STAFFORD. But, in fact, he was not, and now you are asking to give him pay for the time he did not serve. Mr. Speaker, I object.

MICHAEL F. CALNAN

The Clerk called the next bill, H. R. 3422, for the relief of Michael F. Calnan.

Mr. STAFFORD. Mr. Speaker, I reserve the right to object. This is another bill introduced by the gentleman from Massachusetts.

Mr. DALLINGER. Mr. Speaker, this man, so far as fighting is concerned, had a splendid record. Whenever there was any fighting going on during the Boxer insurrection or in the Philippines he was right there, but he did have one failing. He sometimes drank too much; but in view of the fact that his military record is all right, so far as fighting is concerned, it does seem that he might have his record corrected.

Mr. STAFFORD. Mr. Speaker, perhaps, as a liberal who has voted consistently for modification of the prohibition enforcement act to correct intolerable conditions, I should

take a more liberal attitude, particularly with the gentleman, who is invariably dry—not dripping dry, but arid dry—from classic Cambridge and from an institution which is supposed to graduate persons of liberal thought. Here we find that this man committed many offenses in being absent without leave and drinking, culminating in a summary court-martial for absence without leave.

Mr. DALLINGER. All this occurred when there was not any fighting going on. He had four years of service.

Mr. STAFFORD. Perhaps, Mr. Speaker, this man had a fighting spirit like Bob Evans, who never considered any man to have proper fighting qualities unless he could take a drink. I think this man does not represent the type that the sponsor of this bill represents. Therefore he was a good fighting man, and I withdraw my objection. [Laughter and applause.]

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That in the administration of the pension laws Michael F. Calnan shall hereafter be held and considered to have been honorably discharged from the military service of the United States in the Marine Corps: *Provided*, That no bounty, back pay, pension, or allowance shall be held to have accrued prior to the passage of this act.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed; and a motion to reconsider was laid on the table.

ROSCOE M'KINLEY MEADOWS

Mr. BLANTON. Mr. Speaker, I ask unanimous consent to return to Calendar No. 265, the bill (H. R. 4271) for the relief of Roscoe McKinley Meadows, introduced by our colleague the gentleman from Virginia [Mr. MONTAGUE]. I want to ask the gentleman from Wisconsin a question in connection with the bill.

Mr. SCHAFER. Mr. Speaker, reserving the right to object, is the beneficiary of this bill a drinking man also?

Mr. STAFFORD. Mr. Speaker, I shall be pleased to go over this bill again, but for the time being, I object.

ROBERT J. WHITE

The Clerk called the next bill, H. R. 3426, for the relief of Robert J. White.

Mr. STAFFORD. Mr. Speaker, reserving the right to object, here is another installment by the gentleman from Massachusetts, from the classic shades of Cambridge. I would like to have some explanation of this bill, because I have it marked provisionally for objection. Is this a drinking man also?

Mr. DALLINGER. No. I may state, Mr. Speaker, that Mr. White, anxious to serve his country, enlisted in the Navy in the only way he could at the time. A week after he had enlisted in the regular Navy the Congress passed an act whereby men could enlist as emergency officers. This man was overseas and was injured. As a result of the injury which he received in the service he had to submit to an operation and one of his kidneys was removed.

This matter went before the Veterans' Bureau, and he was recommended for retirement under the emergency officers' retirement act, and then the Comptroller General raised the technical point that he had enlisted in the Regular Navy. This man was an emergency officer, and so understood it, and when the war was over he resigned.

It seems to me this is an exceptionally good case for retirement, and I do not believe that this technical objection raised by the Comptroller General should stand in the way of his being retired.

Mr. STAFFORD. Mr. Speaker, I have examined the report while the gentleman from Massachusetts has been expatiating upon the service of this good man, and I recall I have objected to similar bills, and I therefore object.

RALPH M'ALPIN

The Clerk read the next bill on the Private Calendar, H. R. 4311, for the relief of Ralph McAlpin.

The SPEAKER pro tempore. Is there objection?

Mr. BLANTON. Mr. Speaker, the department recommends against this bill, and I object.

LYDIA C. SPRY

The Clerk read the next bill on the Private Calendar, H. R. 971, granting insurance to Lydia C. Spry.

The SPEAKER pro tempore. Is there objection?

Mr. STAFFORD. Reserving the right to object, will some member of the Committee on Claims explain this bill?

Mr. SCHAFER. If the gentleman will yield, this is a bill I questioned in the Claims Committee because it involved the payment of war-risk insurance to the beneficiary. I reserved the right to file a minority report and sent for the case folder to check the record. This man was in the service and designated that deductions be made from his pay to take care of the war-risk insurance.

He was temporarily out of the service for a short time and then reentered the service. The Navy Department could not find the record of the filing of the application and the designation that deductions be made from his pay.

However, he was entitled to additional pay by reason of the second enlistment, which pay he had not received. He no doubt was under the impression the additional pay was not received because it was being used to pay his insurance premiums.

The Government owed him this additional money for the reenlistment, which was approximately the amount of the premium which is deductible for war-risk insurance premiums.

In the case of war-risk insurance, if the insurance lapses and later it is found that the beneficiary had uncollected compensation due him, there is an automatic reinstatement of the insurance.

Mr. BLANTON. Will the gentleman yield?

Mr. SCHAFER. Yes.

Mr. BLANTON. Why did not the gentleman get the file?

Mr. SCHAFER. I did get the file, and went through it. If the facts in the folders had not justified favorable action, I would have filed a minority report.

Mr. BLANTON. Why did not they get the report from the department and put the recommendations into the report?

Mr. SCHAFER. I could not tell the gentleman. I did not write the report.

Mr. BLANTON. When there is no report from the department, especially in a case like this that called for $8,000 paid to a private individual, I shall always object. There ought to be a recommendation from the department in every report that is filed, and where there is not, I shall object. I object.

LOTTIE NAYLOR

The Clerk called the next bill on the Private Calendar, H. R. 1406, for the relief of Lottie Naylor.

The SPEAKER pro tempore. Is there objection?

Mr. MOUSER. I object.

ADJOURNMENT

Mr. STAFFORD. Mr. Speaker, I make the point that there is no quorum present.

Mr. BLANTON. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 10 o'clock and 28 minutes p. m.) the House adjourned until to-morrow, Thursday, May 26, 1932, at 12 o'clock noon.

COMMITTEE HEARINGS

Tentative list of committee hearings scheduled for Thursday, May 26, 1932, as reported to the floor leader by clerks of the several committees:

WAYS AND MEANS

(10 a. m.)

Mansfield bill—bond issue for river and harbor construction.

FOREIGN AFFAIRS

(10.30 a. m.)

Hearings—World Court.

RULES

(10.30 a. m.)

Home loan banking bill.

MILITARY AFFAIRS

(10 a. m.)

Hearings—Port Newark Army base.

RIVERS AND HARBORS

(10.30 a. m.)

Hearings—Hudson River Channel, N. Y., and Miami, Fla., projects.

INSULAR AFFAIRS

(10.30 a. m.)

Hearings—Samoa bill.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of Rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

588. A letter from the Comptroller General, transmitting a report and recommendation to the Congress concerning the claim of Arthur R. Saffran against the United States; to the Committee on Claims.

589. A letter from the Secretary of War, transmitting a report dated May 24, 1932, from the Chief of Engineers, United States Army, on John Day River, Oreg.; to the Committee on Rivers and Harbors.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of Rule XIII,

Mr. REILLY: Committee on Banking and Currency. H. R. 12280. A bill to create Federal home-loan banks, to provide for the supervision thereof, and for other purposes; without amendment (Rept. No. 1418). Referred to the Committee of the Whole House on the state of the Union.

Mr. DRIVER: Committee on the Territories. H. R. 12281. A bill to encourage the mining of coal adjacent to the Alaska Railroad in the Territory of Alaska, and for other purposes; without amendment (Rept. No. 1419). Referred to the Committee of the Whole House on the state of the Union.

Mr. ALMON: Committee on Roads. H. R. 12286. A bill to amend the act entitled "An act to provide that the United States shall aid the States in the construcion of rural post roads, and for other purposes," approved July 11, 1916, as amended and supplemented, and for other purposes; without amendment (Rept. No. 1420). Referred to the Committee of the Whole House on the state of the Union.

Mr. GAVAGAN: Committee on Patents. H. R. 10924. A bill to amend section 4916 of the Revised Statutes (U. S. C., title 35, sec. 64); without amendment. (Rept. No. 1421). Referred to the House Calendar.

Mr. SUMNERS of Texas: Committee on the Judiciary. H. R. 11390. A bill to detach Hardeman County from the Fort Worth division of the northern judicial district of the State of Texas and attach the same to the Wichita Falls division of said district; without amendment (Rept. No. 1422). Referred to the House Calendar.

Mr. LOOFBOUROW: Committee on Indian Affairs. H. R. 5846. A bill authorizing the district court of the United States for the Eastern District of Oklahoma to hear and determine certain claims of the Seminole Nation or Tribe of Indians; with amendment (Rept. No. 1427). Referred to the Committee of the Whole House on the state of the Union.

Mr. HILL of Alabama: Committee on Military Affairs. H. R. 487. A bill to authorize an appropriation for the purchase of land in South Dakota for use as camp sites or rifle ranges for the National Guard of said State; without amendment (Rept. No. 1428). Referred to the Committee of the Whole House on the state of the Union.

Mr. FULLER: Committee on the Public Lands. H. R. 9440. A bill to authorize the adjustment of the boundaries of the Colville National Forest in the State of Washington, and for other purposes; with amendment (Rept. No. 1430). Referred to the Committee of the Whole House on the state of the Union.

Mr. STEVENSON: Committee on Printing. H. Con. Res. 31. A concurrent resolution to print and bind the proceedings in Congress and in Statuary Hall upon the occasion of the unveiling of the statue of Charles Brantley Aycock presented by the State of North Carolina (Rept. No. 1431). Ordered to be printed.

Mr. CRISP: Committee on Ways and Means. H. R. 11203. A bill to enable the collection of import duties on foreign-made goods entering the Virgin Islands through parcel-post mail; with amendment (Rept. No. 1432). Referred to the Committee of the Whole House on the state of the Union.

Mr. JOHNSON of Oklahoma: Committee on Military Affairs. H. R. 12047. A bill to provide for the transfer of powder and other explosive materials from deteriorated and unserviceable ammunition under the control of the War Department to the Department of Agriculture for use in land clearing, drainage, road building, and other agricultural purposes; without amendment (Rept. No. 1433). 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. HILL of Alabama: Committee on Military Affairs. H. R. 5726. A bill for the relief of Warren F. Avery; without amendment (Rept. No. 1423). Referred to the Committee of the Whole House.

Mr. HARE: Committee on Insular Affairs. H. R. 10613. A bill for the relief of J. C. Besosa; without amendment (Rept. No. 1424). Referred to the Committee of the Whole House.

Mr. SWANK: Committee on the Public Lands. S. 3830. An act to remove a cloud on the title of certain land in the city of Corpus Christi, Tex.; without amendment (Rept. No. 1425). Referred to the Committee of the Whole House.

Mr. BROWNING: Committee on the Judiciary. H. R. 6425. A bill conferring jurisdiction upon the Court of Claims of the United States to hear, consider, and render judgment on the claims of Edward F. Goltra against the United States arising out of the taking of certain vessels and unloading apparatus; with amendment (Rept. No. 1426). Referred to the Committee of the Whole House.

Mr. HILL of Alabama: Committee on Military Affairs. H. R. 12154. A bill authorizing the Secretary of War to lease or to sell certain lands and buildings known as Camp Eagle Pass, Tex., to the city of Eagle Pass, Tex; without amendment (Rept. No. 1429). Referred to the Committee of the Whole House.

Mr. PITTENGER: Committee on Claims. H. R. 8207. A bill for the relief of Daisy Anderson; with amendment (Rept. No. 1434). 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. TIERNEY (by request): A bill (H. R. 12312) to amend the Federal reserve act to provide for the building up of depleted stocks of staple goods and commodities and so to enable the reemployment of idle labor, and the restoration of buying power; i. e., effective demand; to the Committee on Banking and Currency.

By Mr. AYRES: A bill (H. R. 12313) to amend section 13 of the Federal reserve act by making notes of finance and credit companies subject to discount; to the Committee on Banking and Currency.

By Mr. HARLAN: A bill (H. R. 12314) to remove limitations on the amount of property held by benevolent, charitable, and other nonprofit corporations incorporated in the District of Columbia by private act of Congress; to the Committee on the District of Columbia.

By Mr. TIERNEY (by request): A bill (H. R. 12315) to provide for the temporary removal of the limitation on individual deposits acceptable by the postal savings banks, in-

tended to encourage the restoration of hoarded funds to general circulation; to the Committee on the Post Office and Post Roads.

By Mr. DRIVER: A bill (H. R. 12316) to extend the times for commencing and completing the construction of a bridge across the Mississippi River at or near Helena, Ark.; to the Committee on Interstate and Foreign Commerce.

By Mr. SMITH of Idaho: A bill (H. R. 12317) for the rehabilitation of the Big Lost River project, Idaho; to the Committee on Irrigation and Reclamation.

By Mr. KENDALL: A bill (H. R. 12327) to authorize the Postmaster General to relieve postmasters in cases of losses of funds by bank failures; to the Committee on the Post Office and Post Roads.

By Mr. MILLARD: Joint resolution (H. J. Res. 405) authorizing the President of the United States to present the distinguished-flying cross to Amelia Earhart Putnam; to the Committee on Military Affairs.

By Mr. JOHNSON of Texas: Joint resolution (H. J. Res. 406) directing liberalization of policy of Reconstruction Finance Corporation concerning loans for agriculture; to the Committee on Banking and Currency.

By Mr. EVANS of Montana: Resolution (H. Res. 238) for the consideration of H. R. 10048, a bill granting to the metropolitan water district of southern California certain public and reserved lands of the United States in the counties of Los Angeles, Riverside, and San Bernardino, in the State of California, for an aqueduct, and for other purposes; to the Committee on Rules.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. HOPE: A bill (H. R. 12318) granting an increase of pension to Rose R. Corner; to the Committee on Invalid Pensions.

By Mr. HUDDLESTON: A bill (H. R. 12319) granting a pension to Alice R. Zell; to the Committee on Pensions.

By Mr. IGOE: A bill (H. R. 12320) for the relief of James R. Page; to the Committee on Military Affairs.

By Mr. KURTZ: A bill (H. R. 12321) granting an increase of pension to Catharine L. Kelly; to the Committee on Invalid Pensions.

Also, a bill (H. R. 12322) granting an increase of pension to Caroline Nash; to the Committee on Invalid Pensions.

Also, a bill (H. R. 12323) granting an increase of pension to Annie Smith; to the Committee on Invalid Pensions.

By Mr. LAMBERTSON: A bill (H. R. 12324) for the relief of Madeline Hunt; to the Committee on Claims.

By Mr. THOMASON: A bill (H. R. 12325) for the relief of William M. Weaver; to the Committee on Military Affairs.

By Mr. TIERNEY: A bill (H. R. 12326) granting a pension to Veronica Zolyomy; to the Committee on Pensions.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

7946. By Mr. ANDREWS of New York: Resolution adopted by the Lawyers' Club, of Niagara Falls, urging immediate repeal of the eighteenth amendment; to the Committee on the Judiciary.

7947. By Mr. BOHN: Petition of members of Public Welfare Commission of the city of Detroit, Mich., urging Congress to act immediately on the prosperity loan; to the Committee on Ways and Means.

7948. Also, petition of Morley S. Oates Post, No. 701, Veterans of Foreign Wars, requesting Congress that, in the event they do not see fit to favor the immediate cash payment of the adjusted-service certificates, they enact such legislation as will eliminate interest charges against the unpaid balance; to the Committee on Ways and Means.

7949. By Mr. BLOOM: Resolution passed by the Uniformed Firemen's Association of Greater New York on May 19, 1932; to the Committee on Ways and Means.

7950. By Mr. CRAIL: Habeas corpus petition of Ray Becker and others for the impeachment of J. Stanley Webster, judge of the eastern district of the Federal court of the State of Washington, for misconduct on the bench; to the Committee on the Judiciary.

7951. Also, petition of Roy Porter and many teachers of the Richard Dana, Jr., High School of San Pedro, Calif., urging your influence in the financial matters concerning the welfare of education, at least for the amount the House recommended; to the Committee on Appropriations.

7952. Also, petition of California Building Loan League, Los Angeles, Calif., approving the recommendation of the President for the establishment of a system of Federal home-loan banks, and urging Congress to give their immediate, unqualified, and earnest support, to the end that House bill 7620 and Senate bill 2959 may be enacted into law during the present session of the Seventy-second Congress; to the Committee on Banking and Currency.

7953. Also, petition of United War Veterans of the United States, Los Angeles, Calif., favoring the passage of a $5,000,000,000 prosperity bond issue to relieve present unemployment conditions existing in the Nation; to the Committee on Ways and Means.

7954. Also, petition of Southern California Council of Combat Division Associations, petitioning Congress to authorize immediately the issuance of $5,000,000,000 in bonds, and to provide for the cutting of red tape in order that work may start immediately on necessary public improvements and distress and suffering throughout the Nation may be eliminated; to the Committee on Ways and Means.

7955. Also, petition of Ollie F. Smith, of Los Angeles, Calif., asking immediate action by Congress for relief of unemployment and setting forth a statement of conditions which require prompt action; to the Committee on Ways and Means.

7956. By Mr. CULLEN: Resolutions adopted at the Fifty-seventh Annual Convention, Amalgamated Association Iron, Steel, and Tin Workers of North America, urging a 6-hour day and 5-day week in industry, and also favoring legislation having all companies, corporations, and manufacturing concerns who work their employees after the end of the first turn on Saturday and before the first turn on Monday or the three legal holidays (Fourth of July, Labor Day, and Christmas) shall be fined and excluded from interstate commerce; to the Committee on Interstate and Foreign Commerce.

7957. By Mr. EVANS of Montana: Resolution of Boilermakers' Union, No. 80, Anaconda, Mont., urging payment of the bonus; to the Committee on Ways and Means.

7958. Also, resolution of the Barbers' Union, No. 575, Anaconda, Mont., urging immediate payment of the adjusted-compensation certificates; to the Committee on Ways and Means.

7959. By Mr. HARLAN: Petition of C. F. Henney and eight other residents of Dayton, Ohio, advocating a general sales tax, economy in Government, and balancing the Budget before adjournment of Congress; to the Committee on Ways and Means.

7960. By Mr. KVALE. Petition of La Société des 40 Homes et 8 Chevaux, Voiture No. 39, St. Paul Minn., protesting against any reduction of the commissioned personnel of the Regular Army of the United States; to the Committee on Appropriations.

7961. Also, petition of Rod and Gun Club, Forada, Minn., protesting against a 1-cent tax on shotgun shells; to the Committee on Ways and Means.

7962. Also, petition of Granite Falls Unit, American Legion Auxiliary, Granite Falls, Minn., protesting against any change in the World War veterans' act; to the Committee on World War Veterans' Legislation.

7963. Also, petition of American Legion Auxiliary, Litchfield, Minn., protesting against any change in the World War veterans' act; to the Committee on World War Veterans' Legislation.

7964. Also, petition of 29 residents of the Twin Cities, Minn., urging enactment of House bill 5857; to the Committee on Banking and Currency.

7965. Also, petition of 19 residents of Willmar, Minn., urging enactment of Senate bill 1197; to the Committee on Banking and Currency.

7966. By Mr. LINDSAY: Petition of C. E. Kennedy (Inc.), New York City, opposing proposed duty on lumber; to the Committee on Ways and Means.

7967. Also, petition of New York Joint Stock Land Bank, Rochester, N. Y., opposing the Hare bill; to the Committee on Banking and Currency.

7968. By Mr. RAINEY: Petition of G. H. Earhart and 51 other citizens of Quincy, Ill., favoring a general sales tax; to the Committee on Ways and Means.

7969. Also, petition of Harry L. Allfrich and 22 other citizens of southern Illinois, favoring the remonetization of silver at a fixed ratio with gold; to the Committee on Banking and Currency.

7970. By Mr. RANSLEY: Memorial of Philadelphia Board of Trade, favoring the enactment of House Resolution 214 entitled "Resolution providing for an investigation of Government competition with private enterprise, and for other purposes"; to the Committee on Rules.

7971. By Mr. RUDD: Petition of New York Joint Stock Land Bank, opposing the Hare bill; to the Committee on Banking and Currency.

7972. Also, petition of C. E. Kennedy (Inc.), New York City, opposing the proposed lumber duty in the revenue bill; to the Committee on Ways and Means.

7973. Also, petition of New York State Legislative Board, Brotherhood of Locomotive Firemen and Enginemen, favoring the passage of the Crosser bill, H. R. 10023; to the Committee on Interstate and Foreign Commerce.

7974. By Mr. TIERNEY: Petition concerning the Gasque-Robinson bill, S. 4161; to the Committee on Pensions.

7975. Also, petition concerning Government expenditures; to the Committee on Economy.

SENATE

THURSDAY, MAY 26, 1932

(Legislative day of Monday, May 9, 1932)

The Senate met at 10 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 legislative clerk called the roll, and the following Senators answered to their names:

Ashurst	Copeland	Howell	Sheppard
Bailey	Costigan	Jones	Shortridge
Bankhead	Couzens	Kean	Smith
Barbour	Cutting	Kendrick	Smoot
Barkley	Dale	Keyes	Steiwer
Bingham	Davis	King	Stephens
Blaine	Dickinson	La Follette	Thomas, Idaho
Borah	Dill	Logan	Townsend
Bratton	Fess	McGill	Trammell
Broussard	Frazier	McNary	Tydings
Bulkley	George	Moses	Vandenberg
Bulow	Glass	Norris	Wagner
Byrnes	Hale	Nye	Walsh, Mass.
Capper	Harrison	Oddie	Walsh, Mont.
Carey	Hastings	Patterson	Watson
Cohen	Hatfield	Reed	Wheeler
Connally	Hayden	Robinson, Ark.	
Coolidge	Hebert	Robinson, Ind.	

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

THE JOURNAL

Mr. FESS. Mr. President, I ask unanimous consent for the approval of the Journal of the calendar days of Monday, Tuesday, and Wednesday, May 23, 24, and 25.

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

CONSIDERATION OF AGRICULTURAL RELIEF BILLS

Mr. NYE. Mr. President, I desire to submit a unanimous-consent request which will involve determination of a time to vote. May I ask whether the parliamentary situation is one now, following the roll call which has just been recorded, which would permit the submission of that request without the call of another quorum?

The VICE PRESIDENT. If it involves a final vote, there would have to be another roll call, or it could be done by unanimous consent.

Mr. NYE. I am going to submit at this time a unanimous-consent proposal, which I send to the desk.

The VICE PRESIDENT. Let it be reported for the information of the Senate.

The LEGISLATIVE CLERK. The Senator from North Dakota proposes that when the Senate has voted upon the passage of the pending tax bill, the bills, S. 4536, by Mr. MCNARY, and S. 1197, by Mr. FRAZIER, shall, in the stated order, be laid before the Senate and shall not be laid aside, except by unanimous consent, until a vote shall have been recorded upon the question of the passage of the bills.

The VICE PRESIDENT. Is there objection?

Mr. MCNARY. Mr. President, of course, I am very greatly interested in the early consideration of those measures, one of which I reported yesterday, but in view of the parliamentary situation and the very careful program arranged by the steering committee I would not want any bill to which my name is attached to interfere with that program, and presently I shall object to any change in the program.

Mr. NYE. Mr. President, I hope the Senator will withhold his objection for just a moment. While he has stated why he should feel it incumbent upon him to object, I want to state why I am making the request.

I make the request out of a desire to expedite, if I can, the passage of the pending tax bill. Yet if we are to have a demonstration and a pretty virtual assurance that there is going to be no vote during the present session on any of the pending farm bills, then I must insist upon my amendment which I have offered, and which is on the desk as an amendment to the pending tax bill, which relates to the measure introduced by the Senator from Oregon and which he has reported to the Senate within the last two days. So I would like to renew the request and ask unanimous consent for such a proposal as has been sent to the desk.

The VICE PRESIDENT. Is there objection?

Mr. JONES. Mr. President, I hope it will be provided that it shall not interfere with the consideration of appropriation bills. All those bills should be passed by the 1st of July.

Mr. NYE. I understand that there is no interference at all with an appropriation bill by reason of such a unanimous-consent agreement.

Mr. JONES. Does the Senator understand that that is the way the unanimous-consent request is to be construed? I merely heard it read and it seems to me it would prevent the consideration of appropriation bills. I have no objection to the Senator's proposition otherwise. I think as soon as the tax bill is disposed of, the appropriation bills should be disposed of as rapidly as possible.

Mr. BINGHAM. Mr. President, may I remind the Senator from Washington that one of the appropriation bills contains the so-called economy measure which came over from the other House and which ought to be considered at the very earliest possible opportunity in order that the other appropriation bills may be properly drawn in connection with whatever the Senate does with that bill.

Mr. JONES. I have that in mind, and it is necessary that we pass the appropriation bills and that they should not be delayed.

Mr. BINGHAM. Mr. President, let me ask the Senator from North Dakota how does his proposal fit in with the program which we have been trying to follow as it came from the steering committee?

Mr. NYE. It will not fit in at all so long as the steering committee denies to agriculture the assurance of consideration.

I understand, Mr. President, that it will be altogether advantageous to withdraw my proposal at this time in anticipation that within a few hours there may be some agreement reached. I want to say that if there should be a failure in obtaining unanimous consent, then I shall propose, following that, a unanimous-consent agreement that the Congress shall not adjourn until there has been a vote upon one