floods on the Mississippi River and its tributaries, and for other purposes"; to the Committee on Flood Control.

By Mr. KERR: A bill (H. R. 12989) to restrict the exportation of tobacco seed, and to provide a penalty for the unauthorized exportation thereof; to the Committee on Agriculture.

By Mr. MEAD: A bill (H. R. 12990) to provide a shorter work week for postal employees, and for other purposes; to the Committee on the Post Office and Post Roads.

By Mr. CROSSER: A bill (H. R. 12991) to establish a 6-hour day for employees of carriers engaged in interstate and foreign commerce, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. COOPER of Tennessee: A bill (H. R. 12992) granting the consent of Congress to the Highway Department of the State of Tennessee to construct a bridge across the South Fork, Forked Deer River, on the Milan-Brownsville road, State Highway No. 76, near the Haywood-Crockett County line, Tenn.; to the Committee on Interstate and Foreign Commerce.

By Mr. BLOOM: Concurrent resolution (H. Con. Res. 38) authorizing the acceptance of the gift of a stone tablet bearing the conjoined escutcheons of the Washington and Standish families, to be placed in the Capitol; to the Committee on the Library.

By Mr. CHINDBLOM: Resolution (H. Res. 290) for the consideration of S. 4912, an act to protect the copyrights and patents of foreign exhibitors at A Century of Progress (Chicago World's Fair Centennial Celebration), to be held at Chicago, Ill., in 1933; 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. LINDSAY: A bill (H. R. 12993) for the relief of Phillip William Henry; to the Committee on Naval Affairs.

By Mr. SNELL: A bill (H. R. 12994) granting an increase of pension to Hattie G. Dyer; to the Committee on Invalid Pensions.

By Mr. STEVENSON: A bill (H. R. 12995) for the relief of the Herald Publishing Co.; to the Committee on Claims.

PETITIONS, ETC.

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

8536. By Mr. BEAM: Resolution of the General Assembly of the State of Illinois, favoring the enactment of Senate bill 1197; to the Committee on Agriculture.

8537. By Mr. HESS: Petition of Henry E. Deckebach, of Cincinnati, Ohio, urging the issuance of good-will debt bonds, the proceeds to be used for specified purposes, such as the payment of the bonus; to the Committee on Ways and Means.

SENATE

SATURDAY, JULY 16, 1932

(Legislative day of Monday, July 11, 1932)

The Senate met at 10 o'clock a. m., on the expiration of the recess.

Mr. VANDENBERG. 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	Cohen	Gore	La Follette
Austin	Connally	Hale	Lewis
Bailey	Costigan	Harrison	McKellar
Barbour	Couzens	Hastings	McNary
Barkley	Dale	Hatfield	Metcalf
Bingham	Davis	Hayden	Morrison
Black	Dickinson	Hebert	Moses
Borah	Fess	Howell	Neely
Brookhart	Fletcher	Johnson	Norbeck
Bulkley	Frazier	Jones	Norris
Bulow	George	Kean	Nye
Byrnes	Glass	Keyes	Patterson
Capper	Goldsborough	King	Pittman
Reed	Shipstead	Thomas, Idaho	Vandenberg
Robinson, Ark.	Shortridge	Thomas, Okla.	Wagner
Robinson, Ind.	Smoot	Townsend	Walcott
Schall	Steiwer	Trammell	Walsh, Mass.
Sheppard	Stephens	Tydings	Watson

Mr. GLASS. I wish to announce that my colleague the senior Senator from Virginia [Mr. SWANSON] is absent on official business in attendance upon the Geneva Naval Conference.

The VICE PRESIDENT. Seventy-two Senators have answered to their names. A quorum is present. The Senate will receive a message from the House of Representatives.

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Chaffee, one of its clerks, announced that the House further insisted upon its disagreement to the amendments of the Senate to the bill (H. R. 12280) to create Federal home-loan banks, to provide for the supervision thereof, and for other purposes; agreed to the further conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. STEAGALL, Mr. STEVENSON, Mr. GOLDSBOROUGH, Mr. MCFADDEN, and Mr. LUCE were appointed managers on the part of the House at the further conference.

The message also announced that the House had passed the bill (S. 4569) relating to loans to veterans on their adjusted-service certificates, with an amendment, in which it requested the concurrence of the Senate.

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

H. R. 1289. An act for the relief of William Dalton;

H. R. 2189. An act for the relief of Elsie M. Sears; and

H. R. 7215. An act for the relief of May Weaver.

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

H. R. 1834. An act for the relief of Claude E. Dove;

H. R. 2927. An act for the relief of Eva May Peed, widow of George M. Peed; and

H. R. 7199. An act for the relief of Frank Martin.

The message further announced that the House had passed, without amendment, the joint resolution (S. J. Res. 206) making available to the Banking and Currency Committee of the Senate certain information in the possession of the Treasury Department and the Bureau of Internal Revenue.

The message also announced that the House had agreed to the reports of the committee of conference on the disagreeing votes of the two Houses on the amendments of the House to each of the following bills of the Senate:

S. 811. An act for the relief of Sophia A. Beers; and

S. 2437. An act for the relief of the estate of Annie Lee Edgecumbe, deceased.

ENROLLED BILL SIGNED

The message further announced that the Speaker had affixed his signature to the enrolled bill (S. 4780) to provide that advances under the Reconstruction Finance Corporation act may be made to producers of livestock, including poultry, and to dairy farmers, and may be made for crop planting or crop cultivation, including summer-fallowing, during the year 1932, and it was signed by the Vice President.

JOINT COMMITTEE TO INVESTIGATE RELIEF OF WAR VETERANS

The VICE PRESIDENT. The Chair appoints the following Senators as members on the part of the Senate of the joint congressional committee to investigate the operation of the laws and regulations relating to the relief of war veterans and their dependents, created under section 701 of the legislative appropriation bill, H. R. 11267, viz:

The Senator from Indiana [Mr. ROBINSON];

The Senator from Iowa [Mr. BROOKHART];

The Senator from West Virginia [Mr. HATFIELD];

The Senator from Massachusetts [Mr. WALSH]; and

The Senator from Georgia [Mr. GEORGE].

The Chair takes occasion to state that the appointment of the majority members of the committee was made upon

AUTHENTICATED U.S. GOVERNMENT INFORMATION GPO

the recommendation of the majority leader [Mr. WATSON], while the minority members were recommended by the minority leader [Mr. ROBINSON of Arkansas].

CHANGE IN THE DATE OF INAUGURATION

The VICE PRESIDENT laid before the Senate a letter from the Governor of Illinois, together with a joint resolution adopted by the Legislature of the State of Illinois, ratifying the proposed amendment to the Constitution of the United States fixing the commencement of the terms of President and Vice President and Members of Congress and fixing the time of the assembling of Congress, which was ordered to lie on the table and to be printed in the RECORD, as follows:

STATE OF ILLINOIS,
OFFICE OF THE GOVERNOR,
Springfield, July 14, 1932.

The honorable THE VICE PRESIDENT OF
THE UNITED STATES AND PRESIDENT OF THE SENATE,
Washington, D. C.

SIR: I have the honor to inclose herewith certified copy of House Joint Resolution, No. 22, adopted by the house and concurred in by the senate at the first special session of the Fifty-seventh General Assembly of the State of Illinois, ratifying the proposed amendment to the Constitution of the United States fixing the commencement of the terms of the President and Vice President and Members of Congress and fixing the time of assembling Congress.

Respectfully,

LOUIS L. EMMERSON, *Governor.*

STATE OF ILLINOIS,
OFFICE OF THE SECRETARY OF STATE.

To all to whom these presents shall come, greeting:

I, William J. Stratton, Secretary of State of the State of Illinois, do hereby certify that the following and hereto attached is a true photostatic copy of House Joint Resolution No. 22, adopted by the first special session of 1931–32, and filed in this office at 11.45 o'clock a. m., July 12, 1932, the original of which is now on file and a matter of record in this office.

In testimony whereof I hereunto set my hand and cause to be affixed the great seal of the State of Illinois.

Done at the city of Springfield this 13th day of July, A. D. 1932.

[SEAL.] WILLIAM J. STRATTON,
Secretary of State.

House Joint Resolution No. 22

Whereas both Houses of the Seventy-second Congress of the United States of America, by a constitutional majority of two-thirds thereof, proposed an amendment to the Constitution of the United States of America, which should be valid to all intents and purposes as a part of the Constitution of the United States when ratified by the legislatures of three-fourths of the States, which resolution is in words and figures following, to wit:

"Joint resolution proposing an amendment to the Constitution of the United States fixing the commencement of the terms of President and Vice President and Members of Congress and fixing the time of the assembling of Congress

"*Resolved by the Senate and House of Representatives of the United States of America in Congress assembled (two-thirds of each House concurring therein)*, That the following amendment to the Constitution be, and hereby is, proposed to the States, to become valid as a part of said Constitution when ratified by the legislatures of the several States as provided in the Constitution:

"'ARTICLE —

"'SECTION 1. The terms of the President and Vice President shall end at noon on the 20th day of January, and the terms of Senators and Representatives at noon on the 3d day of January, of the years in which such terms would have ended if this article had not been ratified; and the terms of their successors shall then begin.

"'SEC. 2. The Congress shall assemble at least once in every year, and such meeting shall begin at noon on the 3d day of January, unless they shall by law appoint a different day.

"'SEC. 3. If, at the time fixed for the beginning of the term of the President, the President elect shall have died, the Vice President elect shall become President. If a President shall not have been chosen before the time fixed for the beginning of his term, or if the President elect shall have failed to qualify, then the Vice President elect shall act as President until a President shall have qualified; and the Congress may by law provide for the case wherein neither a President elect nor a Vice President shall have qualified, declaring who shall then act as President, or the manner in which one who is to act shall be selected, and such person shall act accordingly until a President or Vice President shall have qualified.

"'SEC. 4. The Congress may by law provide for the case of the death of any of the persons from whom the House of Representatives may choose a President whenever the right of choice shall have devolved upon them, and for the case of the death of any of the persons from whom the Senate may choose a Vice President whenever the right of choice shall have devolved upon them.

"'SEC. 5. Sections 1 and 2 shall take effect on the 15th day of October following the ratification of this article.

"'SEC. 6. This article shall be inoperative unless it shall have been ratified as an amendment to the Constitution by the legislatures of three-fourths of the several States within seven years from the date of its submission.' Now, therefore, be it

"*Resolved*, By the House of Representatives of the Fifty-seventh General Assembly, the Senate concurring herein:

"SECTION 1. That said proposed amendment to the Constitution of the United States of America be, and the same is hereby ratified by the General Assembly of the State of Illinois.

"SEC. 2. That certified copies of this preamble and joint resolution be forwarded by the governor of this State to the Secretary of State at Washington, D. C., to the Presiding Officer of the United States Senate, and to the Speaker of the House of Representatives of the United States."

Adopted by the House April 20, 1932, by a two-thirds vote.

DAVID E. SHANAHAN,
Speaker of the House of Representatives.
GEORGE C. BLAEUER,
Clerk of the House of Representatives.

Concurred in by the Senate April 21, 1932, by a two-thirds vote.

FRED S. STERLING,
President of the Senate.
JAMES H. PADDOCK,
Secretary of the Senate.

PETITIONS AND MEMORIALS

The VICE PRESIDENT laid before the Senate a telegram from William M. Gregory, of Cottonwood Falls, Kans., submitting a plan to buy the surplus wheat and cotton now held by the Government and to issue wheat and cotton certificates therefor bearing the stamp of the Government, etc., so as to put more currency in circulation and aid in the restoration of economic conditions, which was referred to the Committee on Agriculture and Forestry.

He also laid before the Senate a telegram from the National Economy League, Grenville Clark, chairman, Archibald B. Roosevelt, secretary, New York City, N. Y., relative to measures proposing to eliminate $450,000,000 "in legalized veterans' abuses," etc., which was referred to the Committee on Finance.

He also laid before the Senate a telegram in the nature of a petition from a committee of 400 World War veterans and unemployed of the New York (N. Y.) Ex-Service Men's League, stating "We demand Congress enact payment unemployment insurance and bonus before adjournment," which was referred to the Committee on Finance.

He also laid before the Senate a letter from Sam A. Burrell, Brentwood Heights, Calif., relative to the settlement of foreign debts and international finance, which was referred to the Committee on Finance.

He also laid before the Senate a telegram from the Kanotex Refining Co., Arkansas City, Kans., relative to the tax levied in section 617 of the revenue act of 1932 in the matter of kerosene distillate and naphtha, which was referred to the Committee on Finance.

He also laid before the Senate a telegram in the nature of a memorial from L. E. Blenheim, of White Plains, N. Y., remonstrating against delay in Congress in the disposition of prohibition measures, which was referred to the Committee on the Judiciary.

He also laid before the Senate a petition in the form of a resolution adopted by the Advent Christian General Conference of America, at Plainville, Conn., praying that the Supreme Court of the United States reconsider the case of Doctor Macintosh, of the Yale Divinity School, and also praying for the passage of legislation amending the naturalization laws so as to permit liberty of conscience in citizenship, which was referred to the Committee on Immigration.

He also laid before the Senate a telegram in the nature of a petition from Edward J. Hudon, of Lewiston, Me., praying for the passage of the so-called Maas bill abolishing the office of postmaster in certain first and second class post offices, which was referred to the Committee on Post Offices and Post Roads.

He also laid before the Senate memorials and papers and telegrams in the nature of memorials from sundry citizens and organizations of the States of Illinois, Michigan, Montana, New York, Washington, Wisconsin, and Vermont, remonstrating against the passage of the so-called Dies bill, being the bill (H. R. 12044) to provide for the exclusion and expulsion of alien communists, which were ordered to lie on the table.

He also laid before the Senate the following joint resolution of the Legislature of the State of Illinois, which was referred to the Committee on Banking and Currency:

STATE OF ILLINOIS,
OFFICE OF THE SECRETARY OF STATE.

To all to whom these presents shall come, greeting:

I, William J. Stratton, secretary of state of the State of Illinois, do hereby certify that the following and hereto attached is a true photostatic copy of Senate Joint Resolution No. 15, adopted by the first special session of the general assembly of 1932, and filed in this office at 11.45 a. m. on July 12, 1932, the original of which is now on file and a matter of record in this office.

In testimony whereof I hereto set my hand and cause to be affixed the great seal of the State of Illinois. Done at the city of Springfield, this 13th day of July, A. D. 1932.

[SEAL.] WILLIAM J. STRATTON,
Secretary of State.

Senate Joint Resolution No. 15

Whereas prices of agricultural products have been below the cost of production during the past 10 years and farmers have been unable to meet their obligations and retire their indebtedness; and

Whereas there is no existing adequate method for refinancing the agricultural indebtedness and the farmers of this State and of this Nation are at the mercy of their mortgagees and creditors; and

Whereas unless immediate relief is given many thousands of farmers will lose their farms and their homes and will be forced into our cities and villages, augmenting the army of unemployed and becoming dependent upon charity; and

Whereas agriculture does not ask for charity but merely that it be placed on a basis of equality with other industry and that the Federal reserve system be made to function for it as for other industries; and

Whereas more than 100,000 farmers have petitioned Congress to enact Senate bill No. 1197, known as farmers' farm relief bill, which will place agriculture on a parity with other industries, and the Legislatures of the States of Montana, North Dakota, Minnesota, Wisconsin, and Iowa have indorsed this bill: Now, therefore, be it

Resolved by the Senate of the Fifty-seventh General Assembly at the first special session thereto (the House of Representatives concurring herein), That the President and the Congress of the United States be memorialized to take all necessary action to enact Senate bill No. 1197, the farmers' farm relief bill, into law; and be it further

Resolved, That a copy of this preamble and resolution be forwarded to the President of the United States, to the President of the Senate and the Speaker of the House of Representatives of the Congress of the United States, and to each Senator and Representative in Congress from the State of Illinois.

Adopted by the senate April 21, 1932.

FRED E. STERLING,
President of the Senate.
JAMES H. PADDOCK,
Secretary of the Senate.

Concurred in by the house of representatives April 27, 1932.

DAVID E. SHANAHAN, *Speaker.*
GEORGE C. BLAEUER, *Clerk.*

REPORT OF A COMMITTEE

Mr. SHIPSTEAD, from the Committee on Agriculture and Forestry, to which was referred the bill (S. 4178) to amend section 8 of the act entitled "An act for preventing the manufacture, sale, or transportation of adulterated or misbranded or poisonous or deleterious foods, drugs, medicines, and liquors, and for regulating traffic therein, and for other purposes," approved June 30, 1906, as amended, relating to misbranded foods, reported it without amendment and submitted a report (No. 1002) thereon.

JOINT RESOLUTIONS INTRODUCED

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

By Mr. REED:

A joint resolution (S. J. Res. 207) to authorize graduation leave for cadets of the United States Military Academy; to the Committee on Military Affairs.

By Mr. CAPPER:

A joint resolution (S. J. Res. 208) to declare the 11th day of November, celebrated and known as Armistice Day, a legal public holiday in the District of Columbia; to the Committee on the District of Columbia.

By Mr. JONES:

A joint resolution (S. J. Res. 209) providing for advances to unemployed veterans on their adjusted-service certificates; to the Committee on Finance.

INTEREST ON LOANS TO VETERANS

Mr. NORRIS. Mr. President, I ask the Chair to lay before the Senate the action of the House of Representatives on the so-called veterans' interest bill.

The VICE PRESIDENT laid before the Senate the amendment of the House of Representatives to the bill (S. 4569) relating to loans to veterans on their adjusted-service certificates, which was to strike out all after the enacting clause and insert:

That the first sentence of subdivision (b) of section 502 of the World War adjusted compensation act, as amended (U. S. C., title 38, sec. 642 (b)), is hereby amended to read as follows:

"(b) Any national bank, or any bank or trust company incorporated under the laws of any State, Territory, possession, or the District of Columbia (hereinafter in this section called 'bank'), is authorized to loan to any veteran upon his promissory note secured by his adjusted-service certificate (with or without the consent of the beneficiary thereof) any amount not in excess of the loan basis (as defined in subdivision (g) of this section) of the certificate."

SEC. 2. (a) Subdivisions (c) and (d) of section 502 of such act, as amended (U. S. C., title 38, secs. 642 (c) and 642 (d)), are hereby amended by striking out "6 per cent" wherever occurring in such subdivision and inserting in lieu thereof "3½ per cent."

(b) Subdivision (1) of section 502 of such act, as amended (U. S. C., Supp. V, title 38, sec. 642 (1)), is amended by striking out "4½ per cent" and inserting in lieu thereof "3½ per cent."

(c) The amendments made by subsections (a) and (b) of this section shall not apply with respect to interest accrued prior to the date of the enactment of this act.

SEC. 3. Subdivision (m) of section 502 of such act, as amended (U. S. C., Supp. V, title 38, sec. 642 (m)), is hereby amended to read as follows:

"(m) Loans made by the Administrator of Veterans' Affairs under this section may at his option be made out of the United States Government life-insurance fund, or out of the adjusted-service certificate fund created under section 505. In case of loans made out of the United States Government life-insurance fund the fund shall be entitled to receive interest at the rate of 4½ per cent per annum, compounded annually, but, in respect of interest on any such loan accruing after this subdivision as amended takes effect, the amount by which interest at such rate exceeds 3½ per cent per annum, compounded annually, shall be paid to the United States Government life-insurance fund out of the adjusted-service certificate fund."

Mr. NORRIS. Mr. President, the amendment of the House is not what I should like to have. The Senator from New York, who is now absent, is very much interested in this proposed legislation, but I understand the Senator from Georgia [Mr. GEORGE] is looking after the matter in his absence.

Mr. GEORGE. That is correct.

Mr. NORRIS. It is my judgment, under the circumstances, and in view of the fact that we would probably not get any legislation on this subject at this session if the bill were taken to conference, that the proper thing to do is to move to concur in the House amendment, which I do.

Mr. GEORGE. Mr. President, I agree with the Senator from Nebraska, and think the action he has suggested should be taken.

Mr. SMOOT. I desire to ask the Senator to withhold the motion at least until I can look over the amendment. I do not know whether there will be any objection to it or not, but I should like merely to know what has been done before the House amendment is concurred in. It will not take very long to do that.

Mr. NORRIS. Very well. I have no objection to that course and will withhold my motion until the Senator from Utah shall have an opportunity to consider the amendment of the House.

WHEAT AND COTTON FOR AMERICAN RED CROSS

The Senate resumed the consideration of the joint resolution (H. J. Res. 461) making appropriations to enable the Federal Farm Board to distribute Government-owned wheat and cotton to the American National Red Cross and other organizations for relief of distress.

Mr. KING. Mr. President, I was proceeding to discuss the amendment.

Mr. BINGHAM. Mr. President, will the Senator permit the amendment to be read for the information of the Senate?

The VICE PRESIDENT. The amendment has been read, but it will be reread at the request of the Senator from Connecticut.

FEDERAL FARM BOARD

Mr. KING. Mr. President, the Senator from Connecticut has requested the reading of the substitute which I offered yesterday to the pending measure, House Joint Resolution 461. I think I can explain the measure to the satisfaction of the Senator.

The measure before us is for the purpose of carrying into effect a joint resolution approved on the 5th instant, which authorizes the distribution of Government-owned wheat and cotton to the American National Red Cross and other organizations for the relief of distress. That resolution, in my opinion, was not fully understood by Congress, and the support given it grew out of a lack of understanding of its implications. It is contended that the resolution imposes an obligation upon Congress to appropriate an indefinite sum to pay for millions of bushels of wheat and several hundred thousand bales of cotton, held by the Farm Board, in order that the same may be distributed by the Red Cross to relieve distress.

In my opinion, the resolution should not have been passed, and if it had been fully understood I doubt whether it would have received the approval of Congress. Taking advantage of the deplorable condition throughout the country, the poverty and the distress everywhere manifest, a measure was passed some time ago calling for the distribution of grain through the Red Cross organization. Facts are coming to light showing that in some places there was not a wise and prudent distribution of the bounty provided by the Government; that flour and grain were wasted and marked inefficiency characterized its distribution; if true, this reflects, if not on the Red Cross, upon agencies and instrumentalities through which distribution was made. There are many who believe that the experience in connection with the distribution of the wheat and flour heretofore authorized does not warrant further distribution by Congress through the same agencies or channels, even if the wheat and cotton are to be donated by the Federal Government. The Senator from Oklahoma will bring a few instances to the attention of the Senate revealing the waste that has attended the distribution of wheat and flour, the distribution of which was heretofore authorized by Congress.

Mr. President, I am not convinced that the resolution of July 5 was solely inspired by the desire to provide food for those in distress. I believe there is evidence indicating that the Farm Board desired to get rid of some of its surplus wheat and cotton, which it had improperly accumulated, and that some agricultural interests likewise were interested in depleting the Farm Board's surplus stock in order that the same might not be held as a menace to the wheat and cotton prices of the 1932 crop. At any rate, the resolution of July 5 was passed and we are now asked by the provisions of House Joint Resolution 461 to appropriate "such sums as may be necessary during the fiscal year 1933 for the purposes of carrying out the provisions of the resolution of July 5." The latter resolution authorized and directed the Farm Board to deliver to the Red Cross 45,000,000 bushels of wheat and 500,000 bales of cotton for use in providing food, cloth, and wearing apparel for the needy and distressed people, and providing feed for livestock in the 1932 crop-failure areas, after the needs of human consumption have been taken care of. There was nothing in House Joint Resolution 418 indicating that the Government would be called upon to make any appropriation, but would credit the Farm Board with the amount of wheat or cotton turned over to the Red Cross pursuant to the terms of the joint resolution.

House Joint Resolution 461 now before us states that to enable the Farm Board to carry into effect the resolution of July 5, "Such sums as may be necessary * * * are hereby appropriated and made immediately available to the Federal Farm Board to be used in carrying out the provisions contained in subsections A, B, and C of said resolution. It is now claimed that to carry out the terms of House Joint Resolution 418, $50,000,000 should be appropriated out of the Treasury of the United States. It should be observed, however, that both resolutions are indefinite as to the appropriation to be made, and, as I have indicated, are silent as to the liens and charges against the wheat and cotton to be delivered to the Red Cross. The Joint Resolution 461, as I have stated, does not specify the sum to be appropriated. The substitute which I offered yesterday limits the appropriation to $30,000,000, and the Senator from Tennessee offered an amendment limiting the appropriation to $40,000,000, which was adopted; but, as I am advised, it is opposed by the House and by representatives of the Farm Board who demand at least $50,000,000.

As I have indicated, the resolution of July 5 was passed, as I believe, upon the theory that the Farm Board owned the wheat and cotton which were to be delivered to the Red Cross, and that upon the books of the Treasury the Farm Board would receive a credit for the value of the same; that the transaction would be a bookkeeping one only, and that no sum would be required to be taken from the Treasury in order to consummate the arrangement. It now transpires that there are liens and charges upon the 45,000,000 bushels of wheat and the 500,000 bales of cotton amounting to approximately $40,000,000. Commercial and intermediate-credit banks have made advances and have liens, if not mortgages, on both the wheat and the cotton amounting to many millions of dollars, and there are storage charges which amount to a large sum in addition to insurance charges which must be met; so that the total charges against the wheat and cotton referred to amount to perhaps more than the market value of such commodities. At any rate, there will be but a small equity to which the Farm Board might be entitled to a credit. Instead of the Government obtaining the wheat and the cotton referred to without appropriating money from the Treasury, it now appears that the transaction is not a mere bookkeeping one, but that an impoverished and, in effect, a depleted Treasury will be called upon to raise a sum substantially equal to the market value of the wheat and cotton in order that liens upon the same may be discharged. The Government will be compelled to borrow money by the issuance of bonds or temporary certificates in order to raise the amount required to pay these liens and charges before the wheat and cotton will be released.

I do not say that the original resolution of July 5 was passed under false pretenses, but I do assert that its full implications were not understood by many, if not a majority, of the Senators and Congressmen. Notwithstanding the fact that $500,000,000 has been appropriated to the Farm Board, much of which has been wasted, this resolution before us called for an unlimited appropriation, which, in effect, is an additional contribution to the Farm Board, with which it may discharge obligations resting upon it to the extent of approximately $40,000,000 in order that it may dispose of the wheat and cotton referred to in the resolution of July 5.

The Senator from Washington [Mr. JONES] stated yesterday that the joint resolution directed that 45,000,000 bushels of wheat and 500,000 bales of cotton be delivered to the Red Cross by the Farm Board.

Yesterday I offered a substitute for the pending resolution limiting the amount of wheat to be released to 30,000,000 bushels and the amount of cotton to be released to 400,000 bales. The substitute also provides that not to exceed $30,000,000 shall be appropriated or expended under the resolution. Obviously, any appropriation made should be definite and certain. The proposed substitute also provides that the Farm Board shall be composed of three members to be appointed by the President, by and with the consent of the Senate, and the Secretary of Agriculture, who shall be an ex officio member. In other words, the substitute seeks to reorganize the Farm Board, limit the membership to three, and shorten their terms of office. There are cogent reasons why the board should be abolished; and the substitute which I have offered will not be satisfactory to a large number of Senators and Congressmen who believe in its abolition. Measures are pending both in the House and Senate calling for the repeal of the marketing act, which provides for the Farm Board and under which it is now attempting to function. I shall before concluding make further reference to the question of abolishing the Farm Board.

Mr. President, the substitute which I have offered does not entirely meet my views. In my opinion, if the situation calls for further appropriation from the Federal Treasury to aid in caring for the unemployed, then the measure before us is not suitable or proper. The relief bill, which has been under consideration for days, carries $300,000,000 to be distributed to the States to relieve the unemployment situation. There are other provisions in the bill which will furnish work and employment and materially aid in meeting the deplorable situation in which the people of the United States find themselves.

If the amounts provided in the so-called relief bill are inadequate, then a further relief measure should receive consideration. If the situation calls for the purchase of wheat and cotton to be distributed among the people who are in want, there should be a direct appropriation for the purchase in the market of such quantities of wheat and cotton as may be deemed necessary under the circumstances, or the amount appropriated should be allocated to the States in proportion to their respective needs. But as stated, we are now called upon to make a further appropriation to the Farm Board and to aid it in extricating itself from the wretched plight into which its unsound and foolish policies have precipitated it. This measure, as I have indicated, has back of it relief for the Farm Board rather than relief for the unemployed. The Farm Board has so dissipated the $500,000,000 appropriated by Congress that it is unable to pay the $40,000,000 of liens and charges against the wheat and cotton which, if I understand the Senator from Washington, the resolution under consideration will obtain from the Farm Board.

I repeat that in view of measures pending in the House and Senate to abolish the Farm Board, as well as the resolution which has been adopted calling for its investigation, there may be valid objections to that part of the substitute which I have offered reducing the number of the board to three members and an ex officio member.

Mr. McKELLAR. Mr. President, will the Senator from Utah yield to me?

Mr. KING. I yield to the Senator from Tennessee.

Mr. McKELLAR. Does not the Senator think that it would really be better to let this matter go over to the next session? I am very much in favor of abolishing the Farm Board as at present constituted, and I think that its functions might very well be turned over to a liquidating agent of some sort, under a bill passed by the Congress, that would take charge of it and wind up its affairs and pay into the Treasury whatever money, if any, may be left. It seems to be very doubtful, after we pay all the debts of the board, whether there will be any of the $500,000,000 left; but in the event that the Government should be successful in even saving a few thousand dollars out of it, it ought to be paid back into the Treasury and not be turned over to the department. I believe it would be better to turn it over to some liquidating agency, and, under a statute, to wind up the board's affairs and bring about a cessation of its activities in that way.

Mr. KING. Mr. President, I think that a majority of the Members of both Houses, as well as an overwhelming majority of the people of the United States, will be in accord with the views of the Senator that the board should be abolished and some liquidating agency set up for the purpose of winding up its affairs. The Senator's view may be correct that the substitute offered reducing the membership of the board should not be now adopted because of the proposed abolition of the board at the next session of Congress. Undoubtedly there is a feeling that when Congress meets next December legislation will be enacted that will make some disposition of the Farm Board. In drafting the substitute I had in view the fact that a few days ago we passed a measure that reduced the Shipping Board to three members, notwithstanding the fact that there is a strong sentiment for its abolition and the transfer to the Department of Commerce of the responsibility of liquidating its affairs and performing whatever functions may be necessary during the period of transition.

I should add, however, that the Farm Board does have some apologists and some sources of strength. Whenever, as suggested, changes have been made there have rallied to its support a large number of its employees and those connected with its subsidiary organizations. There has been a swarm of lobbyists here, among them Mr. Moser, who have attempted to defend the board and to prevent legislation restricting its operations or dealing with its subsidiaries. I have before me some of the statements made by Mr. Moser and members of the board, as well as some of those who have been directly or indirectly interested in its perpetuation. They are illuminating and furnish additional evidence of the recognized fact that whenever a bureau or Federal agency is created, no matter what its faults and delinquencies, its inefficiency, or the demonstration that it serves no useful purpose, efforts to abolish the same encounter persistent and formidable opposition. This session of Congress has supplied indubitable evidence of the immortality of Federal agencies and bureaus. May I say in passing that many bills during this and other sessions to abolish Federal organizations have met with such violent opposition as to prevent affirmative action. It is to be hoped that there will come into power a President and Congress that will abolish scores of Federal agencies and bureaus and organizations. It is recognized, of course, that the Farm Board is the child of President Hoover; it is to be expected that his protecting arm has been and will be extended in its behalf. I believe, however, that its demonstrated incapacity, its failure to effectuate the purposes for which it was designed, will result in diminishing the interest of the Executive in prolonging its life.

Mr. President, I was influenced to offer the substitute because of the failure of Congress to act upon the measure dealing with the Farm Board, or upon the resolution offered by the Senator from Nebraska [Mr. NORRIS] calling for a searching investigation of the Farm Board. I believe that the Senate should be reminded of the pendency of these measures and of its default in failing to act upon them during the session. I should modify this statement, however, to the extent of adding that the Committee on Agriculture finally did report favorably the resolution offered by the Senator from Nebraska, and it is to be hoped that pursuant to the terms of the resolution the Farm Board's activities will be investigated and a report submitted to the Senate when it meets in December. I regret that the resolution was not promptly acted upon and the investigation called for made during this session of Congress. The criticisms of the Farm Board arising in almost every part of the United States call for prompt action by Congress when it meets in December. I can not help but believe that administration influences have been hostile to any legislation that would modify the law under which the Farm Board operates or diminish its authority or look to its abolition.

Of course, an investigation will prove of little value unless it is most searching and comprehensive. The investigation must not only deal with surface conditions, but with those which lie at the root of the problem and of the character, proceedings, and activities of the board.

Mr. NORRIS. Mr. President——

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

Mr. KING. I yield.

Mr. NORRIS. I share with the Senator from Utah regret that the investigation provided for by the resolution which was adopted by the Senate has not taken place. I want to assure the Senator and the Senate that in no way, either directly or indirectly, am I to blame or responsible for that delay. I was anxious that the investigation should proceed. The Senate adopted the resolution and authorized the committee to proceed with the investigation, but the Senator must realize, as I do, that the delay is, to some extent, at least, excusable.

The chairman of the Committee on Agriculture and Forestry [Mr. McNARY] has been, as the Senator knows, extremely busy and has felt that it was practically a physical

impossibility to make the investigation while the Senate was in session and all the Senators were so busy.

I have no reason to criticize the Senator from Oregon for taking that position. I have no doubt that he has been sincere in it, although I have regretted it very much and have called his attention to the fact that the investigation should have gone on long ago. I have done that many times. He expects to proceed with the investigation, I understand, as soon as the Congress shall adjourn.

The difficulty, it seems to me, with the proposal of the Senator from Utah is that he is trying to amend the act before the investigation has taken place. Regretting, as I say, the delay in the investigation, I still think that we ought not to change the act or undertake to change it until all the facts are known, until the investigation is had, and we are informed as to all the facts.

There are very grave charges made both ways in the matter, and I am satisfied that an honest, fair investigation will disclose the facts, so that we may then act intelligently and take whatever course it is deemed best to take. So it seems to me that it is premature now to try to amend the act.

Mr. McNARY. Mr. President, will the Senator yield to me for a moment?

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

Mr. KING. I yield to the Senator.

Mr. McNARY. The statement of the Senator from Nebraska is very fair.

Last fall the Senate Committee on Agriculture and Forestry held hearings and investigated and made a very thorough survey of the activities of the Federal Farm Board. At the conclusion of the hearings it was thought that probably we should pursue the matter a little further, and the Senator from Nebraska introduced a resolution. In due course, and during the spring of this year, the Senate passed that resolution. The chairman could either have called the whole committee together or have appointed a subcommittee. On account of the unusual quantity of work here in the Senate and in the committee I deemed it inadvisable to start something that I could not finish. I therefore assumed the responsibility of deferring the investigation until the session ended.

Just to-day I have named a subcommittee and have called them together for Tuesday to go over the ground. I realize that it is going to require expert statisticians, and men who understand the nature of bookkeeping and the intricate questions of distribution of the board and its auxiliaries. That can not be done by a committee; but I am satisfied that the investigations of the subcommittee will be thorough, and that it will be able to report to the Senate in due time at the first of the next session of Congress.

If there is any criticism of that, it was the result of my own judgment, and I accept it.

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

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

Mr. KING. I yield.

Mr. McKELLAR. The Senator is certain that this subcommittee and the full committee, if necessary, will hold hearings during the recess, and be able to report to the Congress at the next session in December, is he?

Mr. McNARY. I stated, and shall again state, that the subcommittee has been named by me. I have called it together for Tuesday. We will discuss then the plan of procedure, which, as I said, is necessarily the taking of open testimony—only in some instances—but it is an investigation of activities as disclosed by records and books. That work will go on. The committee will meet probably in the fall, I hope right after we come back here in November, and I think will be ready to make a report to the Congress at the next session.

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

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

Mr. KING. I yielded to the Senator from Oregon.

Mr. McNARY. I appreciate the courtesy of the Senator from Utah.

Mr. KING. I am glad to have the Senator's views. If the Chair will permit, I will yield to the Senator from South Carolina.

Mr. BYRNES. If the Senator yields to me, I simply want to say that on the first day of this session I introduced a bill to transfer the cooperative marketing activities of the Farm Board to the Department of Agriculture, put an end to the stabilization activities, and abolish the board. After considerable delay, and as a result of persistent requests, I secured a hearing, at which time it seemed that the majority of the committee present on that day were disposed to report favorably the bill then before the committee. However, it was suggested that this investigation should proceed and a committee be appointed.

That was March 15. I stated to the committee at the time that I knew exactly what was being done with my bill; that I did not want any of them to be under the impression that I did not understand it; that I knew when a committee was appointed that there would be no legislation on the subject at this session. I stated at the time that I knew the Senator from Nebraska would not be a party to delaying the investigation, because I knew of his sincere desire to proceed in the matter; that he really wanted to have the investigation go on, and he so stated at that meeting; but I knew enough of what was going on in the committee, and the difficulty I had in securing a hearing from December until March 15, to enable me to predict that we would find the end of the session reached with this committee not functioning, and no action being taken upon the bill.

I hope, however, that when we do return we shall be able to secure action. All that I have ever wanted was for the Committee on Agriculture and Forestry to vote on the bill. I asked that it be reported to the Senate either favorably or adversely, so that the Senate might act upon it. Possibly in December we may get that far and at least have the members of the committee vote on a bill to abolish the board and transfer its activities to the Secretary of Agriculture.

Mr. GORE. Mr. President——

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

Mr. KING. With the permission of the Chair, I yield to the Senator from Oklahoma.

Mr. GORE. Mr. President, I wish to state for the RECORD at this point that unless this subcommittee engages the services of impartial experts who are familiar with the intricacies and the technicalities of marketing farm products, who are not under the influence of the Farm Board or its creatures, this investigation will be a waste of time and a waste of money.

A partial investigation was had on a bill I introduced respecting wheat and cotton. The National Grain Corporation paid the expenses of a legion of witnesses from Idaho, Washington, and States throughout the Middle West to come here to the Capitol and bear witness to the splendid virtues and services of the Farm Board and its various subsidiaries.

Mr. KING. Mr. President, I am in accord with the views expressed by the Senator from Oklahoma. It were better to have no investigation if it is not searching and thorough. There have been some hearings conducted by the House and Senate committees in which the Farm Board and its activities were canvassed, but, as I recall, most of the witnesses appearing were members of the board or their friends and supporters. Notwithstanding that fact, evidence was adduced which led the Senator from Idaho [Mr. BORAH] and others to criticize some of its proceedings, and which strengthened the feeling that the board had betrayed the interests committed to its care. The testimony concerning the enormous salaries paid, the wasteful and inefficient acts of some of its subsidiary organizations, aroused the public and provoked severe criticism of the board. The statement

of the Senator that when hearings were had upon a bill which he offered, respecting wheat and cotton, that the National Grain Corporation paid the expenses of a legion of witnesses from various States to hasten to Washington to testify in behalf of the board and its subsidiaries, reminds me of the fact that the National Grain Corporation, as well as other subsidiaries of the Farm Board and some of the so-called marketing associations, which, if not controlled by it, at least have been its beneficiaries, have been zealous in their efforts to protect the Farm Board and to defeat legislation regarded as inimical to its existence or continued operations. There is evidence that the board had a propaganda department which expended Federal funds to advertise the supposed benefits that would be derived from the board. I recall that the able Senator from South Carolina [Mr. BYRNES] referred to the bulletins published by this propaganda organization. The board has also made loans to cotton cooperatives some of which they used to hire publicity men and other propagandists, among them Mr. C. O. Moser, who has spent considerable time in Washington at a salary as I am advised of $15,000 a year. The Farmers' National Grain Corporation has also had the services of Mr. M. W. Thatcher who is not unknown in the Northwest in connection with farm activities. Propaganda departments maintained by various State associations have been influenced or directed by the Farm Board or its subsidiaries in order to influence Congress to approve the policies of the Farm Board.

Great pressure was brought by these subsidiary organizations of the Farm Board, as well as the board itself and certain cooperatives, to compel Congress to make larger appropriations for the Farm Board. I received many communications insisting that Congress make larger appropriations for the Farm Board or it would be unable to function. Statements have been prepared, presumably by private organizations or cooperatives, denying that they were subsidiaries of the Farm Board, which have been mimeographed and, as I am advised, sent out in franked envelopes as public documents. I am informed that the Farmers' Seed Loan Office, as it is called, has written letters to its debtors urging that they deliver their cotton to the cooperatives, and these communications have been sent as public documents in franked envelopes.

Mr. Moser, to whom I have referred, in an address delivered in Thurber, Tex., indicated that Government employees who did not promote membership in cooperatives were likely to be separated from their jobs. Editorials, interviews, and letters have been prepared under the direction of Mr. Moser and others attempting to impress the country and Congress with the beneficial results of the Farm Board and the importance of the cooperative movement. I recall that after the Senator from Idaho [Mr. BORAH] challenged attention to the enormous salaries paid by the Farm Board and to the employees of its subsidiaries, a large number of cooperative officials and officials of the board hastened to Washington to protect the Farm Board and its subsidiaries and to defend the unjustifiable salaries paid to many employees. My recollection is that later, when the Senator from Oklahoma [Mr. GORE] proposed to restrain the dumping of wheat and cotton by the Farm Board and to prescribe a method or plan for the disposal of accumulated stocks, the Farmers' National Grain Corporation paid the expenses of a number of individuals to come to Washington to protest against such legislation or the adoption of policies different from those pursued by the Farm Board.

I recall a speech delivered by Congressman WOODRUM in the House of Representatives on the 11th of May of this year in which he stated that the House vindicated him when he was—

> * * * "fighting for economy" and against the attitude of the cooperative associations, the Grain Stabilization Corporation, and the American cotton cooperative associations, "in racketeering at the expense of the American farmer, by paying outrageous salaries to their employees."

He stated that 10 employees of these organizations received salaries averaging $34,000 each. He also referred to an amusing situation respecting addresses delivered in the House, and if I understand his position, it seems to indicate the efforts of representatives of the organizations referred to to determine the utterances of Congressmen in order that they would be favorable to the Farm Board.

If the investigations to which the Senator referred, and which is contemplated by the resolution offered by the Senator from Nebraska, is complete, searching, and comprehensive, I feel sure the result will be legislative action abolishing the board and calling for its complete liquidation. Of course, if the investigation were to be confined to the testimony and explanations of the interested parties only, such investigation would be a waste of time and of money. A coat of whitewash is not desired; but the truth and a disclosure of all pertinent facts.

However, Mr. President, there are now sufficient available data to enable Congress to deal with the Farm Board. There have been hundreds of pages of testimony taken since the organization of the Farm Board, dealing with its activities, which furnish sufficient facts that not only warrant but in my opinion require that it should be abolished and the performance of whatever functions it is authorized to discharge transferred to the Department of Agriculture pending its liquidation and the enactment of sound agricultural measures.

Mr. President, I have read hundreds of pages of these hearings, some of them occurring during the consideration of the bill offered by the Senator from Oklahoma [Mr. GORE], and I again repeat that in my opinion a disinterested person examining the hearings and having any cognizance of the activities of the board will reach the conclusion that it has utterly failed to realize the expectations of those who have desired the welfare of the farmers.

Mr. President, it has been extravagant and wasteful in the matter of salaries. Immediately after its organization it provided a salary list of nearly a million dollars a year for Washington alone. It created a field service, so called, and a temporary field service, the annual salaries of which aggregated more than $115,000. It provided an agency for propaganda and also a press relations agency at a cost of $36,000 a year, and a so-called information service at an annual cost of more than $25,000. It set apart $50,000 for printing and a quarter of a million dollars for traveling expenses. Of its salary list $234,000 was to meet the compensation of the employees in the cooperative marketing division. More than $133,000 were provided for the economics division and $69,000 for the so-called business-analysis section. An examination of the record of the organization conclusively shows its lack of a knowledge of business and of the practical questions involved in the work of the Farm Board. Senators know that a number of organizations were set up, such as the Farmers' National Grain Corporation, the National Wool Marketing Corporation, American Cotton Cooperative Association, National Bean Marketing Association, National Pecan Marketing Association, National Beet Growers' Association, National Fruit and Vegetable Exchange, a stabilization corporation, and later other organizations, cooperative or otherwise in character, were formed. These organizations paid to their employees large salaries. The Grain Stabilization Corporation provided a salary list totaling more than $408,000 per annum; and the monthly pay roll of the Farmers' National Grain Corporation and its subsidiaries amounted to $196,000 or approximately $2,349,000 per annum. The American Cotton Cooperative Association provided a salary list of more than $1,100,000 per annum. There were various State cotton cooperative associations formed under the direction of or under the control of the Farm Board, with a large salary list aggregating, as I am advised, more than $120,000 per annum. Information concerning these salary lists may be found in the hearings before the Senate Agricultural Committee in November, 1931, at pages 13, 14, 201, 217, and 293.

According to a hasty computation, the salaries of the Farm Board and its subsidiaries, not including the State cotton cooperatives, as well as a number of other cooperatives, is nearly $5,000,000 annually. Senators are familiar

with the fact that Mr. Creekmore, the manager of the American Cotton Cooperative Association, receives a salary of $75,000; Mr. H. G. Safford, sales manager, $35,000; and Mr. C. O. Moser, director of publicity, $15,000. Some of the employees of the Farmers' National Grain Corporation are:

George S. Milnor, general manager	$50,000
J. M. Chilton, assistant manager	32,000
Walter I. Beam, treasurer	30,000
William Engel, vice president	27,000
C. E. Huff, president	15,000
W. B. Joyce, district manager	20,000
Otis Smith, district manager	15,000
H. W. Collins, Portland manager	25,000
N. E. Carpenter, Kansas City office	15,000
F. W. Lake, Kansas City office	25,000
F. J. Thatcher, Chicago office	15,000
Stanley Reed	20,000

May there not be some justification for the statement to which I have referred made by Congressman WOODRUM that some of these organizations are "racketeering" with the permission of the Farm Board?

Congressman LUDLOW, in a letter to Chairman Stone, of the Farm Board, dated February 8 of this year, after calling attention to the large salaries paid, stated:

> * * * I can not escape the conclusion that this makes it look more like a cooperative for the job holders than for the farmers. * * *

Congressman WOODRUM, chairman of the House Appropriation Subcommittee, in explaining the independent offices supply bill, which carried, as I recall, $1,000,000 for the expenses of the Farm Board for the next fiscal year, stated:

> That although the Farm Board represents the most impoverished industry, yet it has been exorbitant about spending money and has been liberal with other people's money.

He also stated that—

> The same thing may be said of cotton cooperative associations and the Grain Stabilization Corporation. * * * You have the ridiculous spectacle of your $500,000,000 Federal Farm Board with men who are willing to serve this impoverished industry at salaries of $12,000, and yet the Grain Stabilization Association and the Cotton Cooperative Association pay much larger salaries. A $10,000 man is a very low man in their ranks. They run up to $20,000, $30,000, $45,000, $55,000, $75,000 men in their organizations. The answer will be made that the Federal Farm Board has nothing to do with this, that those funds are being paid by the cooperatives. That is a specious argument. Somebody is paying them, either the Federal Government or they are getting it out of the pockets of the farmers, and they are racketeers whoever they get it from. As a matter of fact, a large part of it is going to come out of the Federal Treasury. * * *

Mr. President, if time permitted, I could present facts concerning the disastrous results attending the work of the Farm Board and its subsidiary organizations. To illustrate, the board succeeded in securing nearly 2,100,000 bales of cotton during 1930–31 by making a 90 per cent advance. The farmers were assured that they would get the benefit of a rise in prices. There were great losses which the Treasury of the United States and the taxpayers have been compelled to meet. Prices declined and the losses sustained have been many millions of dollars. While some farmers took advantage of the 90 per cent advances in the year referred to, they obtained 30 per cent less for their cotton than if it had been sold on the open market at the time of delivery to the Farm Board's organization. Some of the farmers who delivered their cotton rested upon the assumption that the Government had agreed to pay the additional 10 per cent. There was widespread dissatisfaction when this was not done. Not satisfied with these unsound and foolish experiments, the Farm Board engaged in speculation upon the New York Cotton Exchange in 1930 and there losses were sustained and a situation developed resulting in more than 25,000 bales of cotton being returned to the United States from Italy, France, and Japan on consignment, resulting in additional losses to the cotton merchants and cotton mills without the slightest profit to anyone concerned. It is believed that the policy pursued was intended to destroy marketing organizations which might compete with the Government cooperatives. The loss, ultimately, however, was a charge against the Treasury of the United States.

The testimony of Mr. Creekmore in the November hearings, page 305, are illustrative of the unwise and foolish policies of the Farm Board. I have not time to refer to the work of the advisory committee created in 1930, the policies of the stabilization corporation which took over from cooperatives cotton inventories, on a basis considerably in excess of market prices, and other unauthorized and unwise proceedings of the Farm Board and its stabilization organization. The board apparently ignored the provisions of the law under which it operated, requiring the establishment of an advisory committee and that before loans were made requests were to be made by the advisory committee. Nor shall I refer to the unjustifiable act of the Farm Board in its assumptiton of speculative losses by the Tennessee Cotton Cooperative Association.

The losses sustained by the board in its wheat marketing and gambling activities may not be fully determined. The claim is made by some who have followed the work of the Farm Board and its organizations that the losses on wheat are now in excess of $137,000,000. Senators are familiar with the fact that the Farm Board disposed of 25,000,000 bushels of wheat to Brazil for a limited quantity of coffee and sold to China 25,000,000 bushels of wheat receiving no cash payment, but Chinese bonds, the interest upon which has not been paid and the value of which is purely speculative. Senators are familiar with the frantic efforts which have been and are being made to permit further sales of commodities controlled by the Farm Board in foreign countries upon credit instead of cash or adequate security. I omitted to state that the Farm Board admitted, as I recall, a loss as of October 31, 1931, of $75,000,000 on the stock of 1,300,000 bales held by the Cotton Stabilization Corporation. Since then my information is that cotton declined approximately $5 a bale. There has been the carrying cost of the cotton, which amounts to approximately $6 a year per bale. This means an additional loss of $8 or more per bale or approximately $11,000,000 on the entire stock. My recollection is that Mr. Creekmore admitted that there had been a loss of $40,000,000 on the 2,100,000 bales held by the association for which the Treasury would be legally responsible. I think the statement is not inaccurate that the losses of the Farm Board in its foolish ventures in wheat and cotton alone will exceed $275,000,000. Its losses in other fields are not yet fully revealed, but some information may be obtained regarding the same from the House hearings on the independent offices appropriation bill for 1933.

The report of the Farm Board submitted in December of last year states that—

> It is not prepared at this time to recommend any changes in the agricultural marketing act, but it asks for a longer test in more favorable economic circumstances before legislative changes are enacted.

It makes some recommendations not at all germane to the purpose of the board, but the report as a whole, if it is not truculent, it is apologetic; certainly it is not frank or convincing.

The Chicago (Ill.) Journal of Commerce, Friday, January 15, 1932, editorially states that—

> The price-fixing operations of the board's subsidiaries paid a profit, they admit, from the very beginning, and they left the farmer with the lowest wheat price in a generation. Millions of the taxpayers' funds have been lost and the loss to the individual farmer is as yet untold—perhaps never can be told. This is scarcely the type of organization the Federal Government should be saddled with, when it has hundreds of racketeering bureaus already.
>
> The cooperative marketing associations the board set up were part of the set-up behind the price-fixing scheme. There were cooperatives before the agricultural marketing act was thought of. Most of them did little good, and most of those that antedated the Farm Board have been swallowed up or bankrupted through the muscling efforts of the Farm Board cooperative tactics.

The editorial further states that—

> There is nothing to do with the Farm Board but to liquidate it as quickly as possible and junk it. After all the money it let out of its fingers it can not get a little wheat together for the Senate to distribute to the destitute unless the Treasury pays out yet more money to let slip. The Government has paid money to let itself be duped.

This statement is pertinent to the measure before us, which calls for $50,000,000 or more from the Federal Treasury to pay obligations incurred by the Farm Board and to discharge liens upon wheat and cotton that the same may be turned over to the Red Cross for distribution.

The New York Times, in its issue of January 29, 1932, states editorially that Chairman Stone estimates that the Government would lose not in excess of $250,000,000 if the affairs of the Federal Farm Board should now be liquidated. I might add that the losses are considerably more than the admission made by Chairman Stone.

The editorial proceeds—

> * * * Is there any good reason why they should not be? The Farm Board's efforts to stabilize prices with funds provided by the taxpayer are a demonstrated failure. Wheat was selling at $1.39 a bushel and cotton at 18 cents a pound when it made its first attempts to support the market. Now wheat is down to 72 cents and cotton sells at less than 7. This is not what the Farm Board intended or expected, but it is ample proof of the futility of attempting to peg prices at artificial levels in the face of an unmanageable surplus. * * *

Since this editorial was written wheat has shrunk to the lowest level attainable in the past several hundred years, and cotton is 2 or 3 cents a pound less than it was in January of this year.

The editorial further continues:

> * * * In a day when fictitious values are being liquidated on all sides the Farm Board, as an agency for stabilization, has little reason for existence. * * *

Congressman HART, in a recent address in the House of Representatives, stated that the Federal Farm Board has been paying scandalous salaries through their various subsidiaries, all of which have come from the Treasury—

> * * * I charge that these $500,000,000 have been absolutely wasted, partly because of the ignorance of those who were in charge of it. * * * I charge that the members of these subsidiary cooperatives have been speculating in the market on their own account. I charge that the Farmers' National Grain Co. has purchased a bucket shop, paying $200,000 for the stock of this same bucket shop, when the stock was not worth one-quarter of this price upon the open market. * * *

Mr. President, there is no doubt that the policies of the Farm Board have reacted to the disadvantage of agriculture and have materially diminished our export market for cotton as well as other products.

In a letter dated May 12, 1931, written by Mr. William S. Fediger, president of the Boston Wool Trade Association, reference is made to the fact that at the close of the first year of the board's activity in wool—that is, May, 1931—the growers faced the lowest wool prices that they have ever known, notwithstanding the protective tariff of 34 cents per scoured pound. He refers to excerpts from the Wool Record, a Bradford (England) publication, and the National Woolgrower, of Salt Lake City, Utah, in March, 1931, which show that the prices of wool in England were higher than in the United States. The Woolgrower states that the prices of wool were lower than in 1894, 1895, or 1896 when there was no duty on wool.

> * * * In other words, if it were not for the present duty good fine Montana and Wyoming wools would have to sell in the Boston market at around 8 to 9 cents per pound in the grease, or say at 3 to 4 cents per pound net to the grower in Montana or Wyoming * * *.

The statements above referred to show that after a year's activity by the Farm Board the prices of wool were the lowest ever known since 1894, when there was no tariff on wool and wool sold at the lowest price that was ever known. From information which was brought to my attention, it appears that the Farm Board paid more for wool than the dealers were able to pay, and later sold the same for lower prices than dealers in wool could sell for, thus forcing the dealers to hold their wool. The Farm Board also has interfered directly or indirectly through its subsidiaries with dairy products, and in one transaction in Minnesota, through its unwise policy, it lost a considerable sum.

At a meeting of nearly 1,000 of the wheat growers of my State, held in Garland, Utah, in 1931, which was attended by the Governor and secretary of state of Utah and myself, a resolution was adopted charging the Farm Board, through the Farmers' National Grain Corporation and the Intermountain Grain Growers (Inc.), with wheat selling on the market at a price below that which the independent farmers could compete with and also charged collusion between the organizations named and a certain milling interest in the intermountain region.

I made an investigation of these charges and believe them to be true.

I have received many letters and communications from various parts of the United States protesting against the unsound, foolish, and disastrous policies of the Farm Board. The Dallas Cotton Shippers' Association, by a resolution, urged Congress to prevent the board from engaging in business in competition with private industry. It is urged that the Federal Farm Board often made misleading and conflicting declarations which confused the trade and were detrimental and harmful to growers, merchants, and spinners alike. The Central Cooperative Association, of St. Paul, Minn., at its annual meeting stated that since the organization of the Farm Board it had manifested a destructive attitude toward those cooperative sales agencies who refused to join the board's set-up by establishing competing organizations with funds supplied by the Farm Board.

A prominent cotton grower of North Carolina informs me that the Farm Board's activities in the cotton business materially lowered the price of cotton. That a farmer in order to join a cooperative under the Farm Board must first place his cotton in the hands of the largest speculator the cotton world has ever known. He further referred to the fact that owing to the enormous losses sustained by the Farm Board, which a cooperative was presumed to repay, the farmer sold his cotton at 6 cents per pound and received an advance in excess of that amount. The additional received, instead of being paid to the farmer, was used to offset losses incurred by the board and its subsidiaries.

Governor Murray, of Oklahoma, in a letter addressed to the governors of the various States, pointed out the unwise policies and evil effects of the Farm Board's operations.

Mr. President, I have before me scores of letters and telegrams and newspaper clippings—statements of men of standing in their respective communities—dealing with the unsound policies of the Farm Board and the serious injuries which have resulted not only to agriculture but to the people generally from the conduct of the board and its subsidiary organizations.

I have before me a statement made by Mr. J. W. Garrow, of Houston, Tex., who appeared before the Senate Committee on Agriculture. It is a temperate and I believe accurate review of some of the activities of the Farm Board. I shall not take the time of the Senate to read, but commend it to those interested in the question involved. He states that the activities of the Farm Board have been costly and of no benefit to the farmers of the South; that the—

> purchase and holding of 1,300,000 bales of cotton have not resulted in any increase in the prices received by the farmers, but have been positively harmful.

He adds that—

> In its stabilization operations the board has utilized the cotton cooperatives, which have in many respects been its very unwilling agents but have had no choice in the matter.

He refers to the first attempt of the board to stabilize cotton prices in October, 1929, when it reported that it would loan the cooperatives 16 cents a pound on cotton regardless of market prices, and adds that—

> From that time on the directing head of the cooperatives has been located in Washington and the cooperatives have been operating for account of the Farm Board.

It is obvious that such a policy could not result otherwise than in disaster. Mr. Garrow refers to the fact that, based upon present prices, a careful audit would show that the board had suffered a loss of from $70,000,000 to $80,000,000 upon a certain 1,300,000 bales which it holds in "the form of spot cotton for future contracts." Mr. Garrow's statement was made in December, since which to date the

losses have increased. He also adds that there is an additional loss approximating—

$40,000,000 upon the spot cotton for future contracts now held by cooperatives at the instance of the board, and that this loss must be borne either by the members of the cooperatives out of the future crops or by the Federal Treasury.

His statement that—

The actions of the cotton cooperatives are dictated from Washington and their officials are merely the agents of the Farm Board, and that farmer control as to any essential policy is the merest fiction—

deserves consideration. He also adds that because of these conditions "dissatisfaction over this situation is becoming acute among State cooperatives."

It is obvious that the course of the Farm Board has not only been injurious to legitimate cooperative movements upon the part of agriculturalists, but it was inevitable that such results would occur.

Mr. Garrow further states that the—

Board launched the cooperatives on a career of ruinous and wild financing which can only end in a debacle and scandal that will discredit for years to come the cooperative movement that the board was charged to foster.

He quotes from an official statement of the position of the Oregon Cooperative Council, as follows:

That council is composed of 33 cooperatives in Oregon representing 20,000 farmers and handling cooperatively a wide range of farm commodities. They very aptly point out in that statement that the policies of the Farm Board have been most detrimental to them and to the whole cooperative movement.

Mr. President, perhaps the Farm Board's tower of strength is the President of the United States. It is his creation. It did not spring from the people. It was not the product of the wisdom or unwisdom of Congress. During the last presidential campaign Mr. Hoover appealed to the people for their support and promised that he would, if elected, promptly convene Congress in extraordinary session and recommend the enactment of a farm-relief measure. From his statements a majority of the people believed that he had a concrete and well-devised plan that would successfully deal with the farm problem and prove of incalculable benefit to agriculture. He and his two immediate predecessors had not given countenance to measures approved by Congress. Senators will recall that upon a number of occasions measures were passed which a majority of the Members of both Houses believed would be beneficial to agriculture. These measures, moreover, received the support of perhaps a majority of the farmers of the United States. They did not meet the approval of President Harding, President Coolidge, or Mr. Hoover. In view of the attitude of the two Republican Executives toward measures which had been before Congress for the relief of agriculture, the people were justified in believing that Mr. Hoover, when elected President, would submit a plan that would adequately deal with the agricultural problem. They were fortified in their belief, as I have stated, because of the statements made by him during the campaign. Immediately after his election he convened Congress in extraordinary session, and, on the 16th of April, submitted his message, the first sentence of which is as follows:

I have called this special session of Congress to redeem two pledges given in the last election—farm relief and limited changes in the tariff.

What was this eagerly expected measure that would be beneficial to agriculture and relieve the farmers of our country from their distress? It was and is the so-called marketing act and the Farm Board. In his message he said:

I have long held that the multiplicity of causes of agricultural depression could only be met by the creation of a great instrumentality clothed with sufficient authority and resources to assist our farmers to meet these problems, each upon its own merits. The creation of such an agency would at once transfer the agricultural question from the field of politics into the realm of economics and would result in constructive action. The administration is pledged to create an instrumentality that will investigate the causes, find sound remedies, and have the authority and resources to apply those remedies.

The pledged purpose of such a Federal Farm Board is the reorganization of the marketing system on sounder and more stable and more economic lines. To do this the board will require funds to assist in creating and sustaining farmer-owned and farmer-controlled agencies for a variety of purposes, etc. * * *.

Certain safeguards must naturally surround these activities and the instrumentalities that are created. Certain vital principles must be adhered to in order that we may not undermine the freedom of our farmers and of our people as a whole by bureaucratic and governmental domination and interference. We must not undermine initiative. There should be no fee or tax imposed upon the farmer. No governmental agency should engage in the buying and selling and price fixing of products, for such courses can lead only to bureaucracy and domination. Government funds should not be loaned or facilities duplicated where other services of credit and facilities are available at reasonable rates. No activities should be set in motion that will result in increasing the surplus production, as such will defeat any plans of relief.

Mr. President, the so-called marketing act was introduced as the President's measure, pursuant to the pledges made by him to the people. It was pushed through Congress and promptly signed with manifest delight by the President, and received with acclaim by many farmers who relied upon the promises of the President, but with serious misgivings upon the part of millions who believed the President's scheme unworkable and unsound and doomed to ultimate failure. I am justified, therefore, in stating that the Farm Board is the child of the President—it is his gift to agriculture—it is his panacea for all the ills which have afflicted the farmers of our country. The President did not believe in the equalization fee or the debenture plan or the McNary-Haugen bill, and he gave to the country this measure, which is now almost universally condemned and whose failure is apparent even to the most blind and partisan Republican. The administration, the President said, "was pledged to create an instrumentality" for farm relief, and the Farm Board is such instrumentality. It is, therefore, not surprising that in certain quarters the Farm Board is defended, its policies justified, and its perpetuity desired. The administration will not confess that it has been a failure and, therefore, it must be defended and praised or the chief accomplishment of the President would be condemned. Accordingly in the recent Republican platform, as I recall, the Republican Party points with pride to the Farm Board and its magnificent achievements and the great relief which it has brought to the farmers of our country.

Mr. McKELLAR. Mr. President——

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

Mr. KING. For a question.

Mr. McKELLAR. It looks to me—I just want to make a statement—as if we are up to this proposition: We must either abolish the Farm Board or abolish agriculture.

Mr. KING. Mr. President, agriculture is now in a precarious condition.

Mr. GORE. Mr. President——

Mr. KING. I yield for a question.

Mr. GORE. Just leave that to the Farm Board. [Laughter.]

Mr. KING. I have no doubt that many farmers believe that agriculture has been abolished or destroyed and that the Farm Board has largely contributed to this disastrous situation.

Mr. President, I have referred to the fact that I have received communications from all parts of the United States condemning the Farm Board and the agricultural policy of the administration. These communications have not been solicited; they have come from farmers, business men, cattle and sheep men, millers, elevator owners, newspapermen, and, indeed, from nearly all walks of life. Doubtless similar communications have been received by other Senators and Congressmen. These communications have not been partisan—they have come from Republicans as well as Democrats; from Republican newspapers as well as Democratic organs. I have received copies of resolutions adopted by farm organizations in Republican sections as well as Democratic parts of the country.

Mr. President, this question ought not to be a partisan one. No question that relates to the welfare, prosperity, and

happiness of the American people should be measured by partisan standards. It is unfortunate that the administration has attempted to make the farm-relief question a partisan one and that the Republican Party, in view of the baneful effects of the marketing act and its administration, should still support the Farm Board and its indefensible policies.

There is no more important question before the American people to-day than that which relates to agriculture. With agricultural products selling at prices below the cost of production, with the farmers overwhelmed with billions of dollars of indebtedness, with farms being sold under foreclosure proceedings, with the farmers being driven from lands which they have redeemed and homes which they have builded—it does seem to me that there should be a united effort upon the part of all to restore agriculture to a proper basis and to enact measures that will accomplish that result. But if the Republican Party adheres to the position taken in their platform with respect to the Farm Board and the marketing act, then the issue must be presented to the people. The farmer should know that the Republican Party indorsed the Farm Board and its unsound and destructive policies and offers no other plan for the relief of agriculture, for the restoration of prosperity to the 40 per cent of our population, than the discredited and unsound marketing act.

Mr. President, Republicans in both branches of Congress have admitted the inadequacy of the marketing act and have not hesitated to criticize and condemn the Farm Board and its policies.

Mr. BYRNES. Mr. President, will the Senator yield for a question?

Mr. KING. I yield.

Mr. BYRNES. I agree thoroughly with what the Senator has said of the board; and I am just wondering whether he would not be disposed to agree that, after all, his suggestion of abolishing the board is more to be desired than its reorganization, and that we might best accomplish something in the interest of farming by waiting until the December session, and then making the effort to secure consideration of some measure to abolish the board, instead of attempting to reorganize it under this resolution.

Mr. KING. Mr. President, perhaps the Senator was not in the Chamber when a similar question was asked by the Senator from Tennessee [Mr. McKELLAR]. I indicated then that perhaps under all the circumstances it would be better to not press the substitute which I offered, but to wait until December when the Senate could pass upon the measures now pending in both branches of Congress providing for the abolition of the Federal Farm Board. I have felt, however, that we are justified in the consideration of this measure to challenge attention to the serious condition of agriculture and to the dismal failure upon the part of the administration to afford any relief to the millions of American citizens engaged in the most important industry in this or any other land. I felt justified in commenting upon the failure of the marketing act because of the rhetorical and, as I believe, insincere commendation of the act and the Farm Board in the recently adopted Republican platform. I further felt warranted in bringing this matter to the attention of the Senate because during this entire session, notwithstanding the avalanche of criticism leveled against the Farm Board and the demands for farm relief, the administration has treated with indifference the criticisms and the demands and has evinced a purpose to stand or fall, so far as the agricultural problem is concerned, by the marketing act and the present Farm Board. Moreover there are some connected with the Farm Board and their auxiliary organizations who manifest no concern over the serious condition of the farmer and treat with apparent contempt the demands of the farmers and those who express dissatisfaction with the board and the policies of the administration in dealing with the agricultural problem.

The Senator from Nebraska [Mr. NORRIS], to whom I referred a few moments ago, has for years demonstrated his devotion to the farmers of the United States. He knows their problems and perhaps is better acquainted with the farm problem than any other man in our country. In season and out of season he has sought relief for agriculture and to secure legislation which he believed to be of benefit to the farmers. He has been, may I say, not only a friend of the farmer but of the "forgotten man," and has sought to protect those who have been, as he believed, the victims of oppression or injustice. He would not have offered the resolution for an investigation of the Farm Board if he had not believed that the marketing act and the Farm Board had failed to meet the situation. It is my opinion, Mr. President, that the marketing act and the Farm Board have proven injurious to the farmers. They have been an impediment to agricultural relief; they have shattered the faith of many sincere persons and filled them with distrust and suspicion toward our Government and the remedies suggested or policies advocated to meet the present deplorable conditions.

Mr. President, I have referred to the fact that the measure which the pending resolution supplements was passed in my opinion by Congress without a full understanding of the situation. It was supported by some who believed that the Farm Board held a surplus of wheat and cotton paid for by Government funds and unencumbered by liens of any character. But they are now rudely awakened to the fact that the Farm Board has heavy liens against whatever wheat and cotton it purchased—liens and obligations almost sufficient to wipe out any equity that the Farm Board may possess. Accordingly, when Congress passed the joint resolution authorizing and directing the Farm Board to deliver to the American National Red Cross 45,000,000 bushels of wheat, and a given amount of cotton for which it should receive credit, it did not understand that payment must be made by an appropriation from the Treasury of the United States. Senators know that notwithstanding the recent tax law supposed to raise additional revenues of more than $1,000,000,000, the total revenue for the next fiscal year will be inadequate to meet the appropriations made and to be made. In other words, the expenditures will be much greater than the revenues and the $50,000,000 which the Senator from Washington is now demanding will be a further charge upon the Treasury and to that extent will augment the deficit which we are creating for the present fiscal year.

As indicated in my remarks, if further contributions are required to relieve the distress throughout the country and to provide for unemployment, the amount carried in the relief bill should have been increased beyond the limit of $300,000,000.

Mr. President, the Farm Board, notwithstanding this $500,000,000 appropriation and the annual appropriations made to meet its expenses, is now to receive under the resolution, as amended, offered by the Senator from Washington an additional $40,000,000. When will this spendthrift and wastrel cease its demands upon the Government? When will the administration and the American people rise up and demand that it shall receive no further appropriations and that the necessary steps be taken to terminate its activities and bring about its liquidation?

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

Mr. KING. I yield.

Mr. BROOKHART. I notice the Senator has a great deal to say about this $500,000,000 appropriation.

Mr. KING. Not a great deal. I have mentioned it twice since the Senator entered the Chamber. I may mention it again.

Mr. BROOKHART. The Senator has mentioned it more than that since I came in. Does the Senator recall that in 1919 the Democratic administration appropriated a thousand million dollars for the control of wheat alone?

Mr. KING. Mr. President, if the Senator attempts to draw any parallel between the situation then and now—that is, the situation now and at the time the Farm Board was organized and the $500,000,000 was authorized—I think he fails to appreciate obvious differences in present and past conditions.

Mr. BROOKHART. There is a distinction, I think, but that distinction is that we are in a much worse emergency and depression now than we were in 1919.

Mr. KING. That may be.

Mr. BROOKHART. Agriculture needs assistance much more now than it did at that time. I am not criticizing the Democratic administration for doing that. I think that was a wise thing to do, and I think the Senator's criticism would be much more forceful if he would say that we ought to have appropriated about fifteen hundred million dollars for the Farm Board to begin with, instead of $500,000,000, so that they could properly have, in a businesslike way, handled the exportable surplus, instead of using a small fund and gambling in it as they have done.

I agree with the Senator that their operations have not been beneficial, but it is largely due to the fact that they did not have funds enough to handle the surplus as the Senator would have handled it if he had been handling surpluses.

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

Mr. KING. In a moment. I thank the Senator for his complimentary reference to my supposed competency to handle the surplus if I had been charged with that responsibility. The Senator for years has been a student of the agricultural problem and has from time to time offered suggestions possessing merit. I think, however, that there is no analogy between conditions in 1919 and the situation at the present time. Then war-time legislation was upon the statute books and war-time conditions here and elsewhere existed. We were liquidating war conditions and meeting a situation which called for legislation and action not constitutionally warranted in peace-time periods. I shall not further enlarge upon the situation, nationally and internationally, in which we found ourselves in 1918 and 1919. The marketing act, however, was the product of peace times. It was enacted when the Republican Party proclaimed that we were in the most prosperous condition the world had ever seen; that Republican policies had made it practically impossible for poverty to visit our country or economic depression to find a habitat in our land. The Republicans under Harding and Coolidge and Hoover flamboyantly proclaimed the effectiveness of Republican policies and Republican tariffs and that all that was needed to bring perpetual felicity and prosperity was an agricultural act. As I have indicated, Mr. Hoover, speaking for his party, promised this plan that was to be the apotheosis of human wisdom and Republican statesmanship. The people followed him, and Congress passed the measure which he had promised and demanded. The "great engineer" has spoken. The people elected him, and his party has supported him and still proclaims him the "miracle man," the superman, the unparalleled statesman. His Cabinet officers and others who belong to the inner circle continue to praise his achievements and to affirm that there is no agricultural depression and that those who claim there is any depression or poverty are suffering from some mental aberration or from some form of illusion.

Mr. BROOKHART. Mr. President, in answer to that, let me call the Senator's attention to the fact that it was the same great engineer who handled the thousand million dollars in 1919.

Mr. KING. Apparently he has lost his foresight or his engineering ability. But the fact is that there were others, including a great President of the United States, who had important parts in that adventure.

Mr. ASHURST and Mr. SMOOT addressed the Chair.

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

Mr. KING. I promised to yield to the Senator from Arizona.

Mr. ASHURST. Mr. President, the able Senator from Iowa says that the Farm Board gambled away $500,000,000, and that our fault and defect and remissness exists in the fact that we did not give it $1,500,000,000 to gamble away. In other words, the logic of my good friend from Iowa is, reclaim the ruined spendthrift by filling his pockets with money.

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

The VICE PRESIDENT. Does the Senator from Utah yield?

Mr. KING. I yield, but I do not want to lose the floor.

Mr. ASHURST. I much appreciate the remarks of the able junior Senator from Utah, and agree with him, but am not disposed to criticize the President as to the Federal Farm Board, as I believe the President thought he was doing right in urging its creation. I voted for the Farm Board act, and that vote for that measure will come more nearly wrecking me politically than anything I have ever done. Those who voted for the creation of that Farm Board, and voted to turn over to them the $500,000,000 of public funds, will have a terrible reckoning when they come to meet their constituents. Let them not be mistaken.

Mr. President, this Farm Board having recklessly gambled away $500,000,000, we are now invited to give the Farm Board $40,000,000 more; is that correct?

Mr. KING. Let me say this: We are now asked to pay approximately $40,000,000 of the debts of the Farm Board.

Mr. ASHURST. Of these gamblers?

Mr. KING. Debts to the extent of substantially $40,000,000 resulting from liens against some of the wheat and cotton purchased by the board in order that it may be released for use by the Red Cross to relieve destitution. This will, of course, result in the consumption of some surplus wheat and cotton and to that extent improve the condition of the board, but primarily the appropriation which we are asked to make will enable the Farm Board to pay debts which it can not now meet and perhaps be saved the humiliation of having liens foreclosed to meet a defaulting debtor. But in taking this step we are further plunging the Federal Government into debt because it will be compelled to sell bonds in order to obtain the $40,000,000 required to carry out the provisions of the resolution before us.

As I have heretofore stated, I would prefer, if we are to make further contribution to aid unemployment and relieve distress, to appropriate the money to be used in the same manner as the $300,000,000, or if wheat and cotton are to be purchased and distributed through the Red Cross I would prefer to appropriate $25,000,000 or $30,000,000 and purchase wheat and cotton in the market for that purpose. I believe that with $30,000,000 as much wheat and cotton could be purchased as will be obtained under the resolution before us from the Farm Board.

Mr. BROOKHART. Mr. President——

Mr. KING. I promised to yield to my colleague.

Mr. SMOOT. Mr. President, I do not see why my colleague is trying to lay the creation of the Federal Farm Board at the door of the President. How often did we hear upon the floor of the Senate that there ought to be created an agency to control the distribution of wheat and other products of the farm? Time and time again the country was appealed to, and the President was appealed to, and it was out of those appeals that the legislation was passed, the hope being that with $500,000,000 the board could control the price of wheat. How often did the Senator from Iowa call attention to the fact that there ought to be some control of the surplus of wheat, and I want to say to the Senator that in a colloquy between him and me I said I thought that with $500,000,000 the price of the commodity could be maintained. I never heard of the President of the United States asking and pleading for legislation for the creation of the Farm Board. It was created through the sentiment here on the floor of the Senate, and it was for the purpose of controlling the price of wheat, so that the price of wheat could be maintained in this country.

The VICE PRESIDENT. The Chair must admonish Senators that they can yield only for questions.

Mr. KING. Mr. President——

Mr. SMOOT. Of course the Chair is right about that, and I shall say no more.

The VICE PRESIDENT. The Chair was not interrupting the senior Senator from Utah, but merely giving a warning for the future.

Mr. KING. The Chair will not take me from the floor so long as my colleague is speaking in my time?

The VICE PRESIDENT. No; the Chair is simply uttering a warning for the guidance of the Senator after his colleague concludes.

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

Mr. KING. If it is for a question.

Mr. BROOKHART. I will make mine a question. I would like to ask a question in reference to the interruption of the Senator from Arizona.

Mr. KING. Let it be a question, please, because I do not want to lose the floor.

Mr. BROOKHART. I ask the Senator if it is not true that I opposed speculation or gambling in all these matters, and I wanted appropriated money enough to enable the board to handle the surpluses in a businesslike way, and not handle them as speculators and gamblers? I say the same to the Senator from Utah. I have always said that $500,000,000 was not enough, and offered a substitute providing for fifteen hundred million dollars at the time. Is not that true?

The VICE PRESIDENT. The Chair must advise the junior Senator from Utah that he will lose the floor if he yields further for statements.

Mr. KING. Mr. President, I desire to be courteous to Senators and am perfectly willing to yield for questions, but the Chair has admonished me that I shall lose the floor if I permit Senators to make statements under a request to propound a question.

I do not agree with the statement just made by my colleague in regard to the origin or cause of the marketing act and the Farm Board. I do not agree that the Farm Board "was created through sentiment on the floor of the Senate." A few moments ago I referred to the statements made by Mr. Hoover during his campaign for the presidency and to his message to Congress when Congress was convened in extraordinary session in April, 1929. The Senator will remember, I am sure, that Mr. Hoover during the campaign promised that if the Republicans won in the election, he would convene Congress and recommend a measure containing substantially the provisions of the marketing act, including, of course, the Farm Board. The Senator from Iowa [Mr. BROOKHART] supported him principally, as I understand, because of the promises made by Mr. Hoover to recommend and secure legislation to aid agriculture. The Senate had not asked Mr Hoover or Mr. Coolidge to enact legislation such as the marketing act. The Senate had voted for the debenture, for the equalization fee, for the McNary-Haugen bill. They had not asked for the marketing act. Mr. Hoover in his inaugural address stated that—

> Action upon some of the proposals upon which the Republican Party was returned to power, particularly further agricultural relief and limited changes in the tariff, can not in justice to our farmers, our labor, and our manufacturers be postponed. I shall therefore request a special session of Congress for the consideration of these two questions. I shall deal with each of them upon the assembly of the Congress.

The President, as I have indicated, soon after did call a special session of Congress, and he did submit a message in which he stated that the—

> Administration is pledged to create an instrumentality (that is, the Farm Board) * * * that will have the authority and resources to apply those remedies (that is, remedies to which he had referred).

Mr. President, the marketing act and the Farm Board are not the progeny of the Senate; their father is President Hoover. He regarded his plan as so important that he convened Congress within a few weeks after his inauguration. He also in his inaugural address declared that at the special session which he would call he would ask for limited changes in the tariff. In his message to the special session he referred to this matter, but in such terms as to clearly indicate that there was a disparity between agriculture and the manufacturing industries resulting from tariff duties, which gave advantages to manufactured and tariff-protected commodities, over agriculture.

As I interpret President Hoover's preelection speeches, as well as his inaugural address and his message to the special session of Congress, he conceded that the tariff laws then in existence discriminated against agriculture and in favor of manufacturing industries. In other words, that there was a disequilibrium or disparity between the manufacturing and industrial pursuits and agriculture which could only be adjusted by lowering certain tariff duties.

Mr. President, the Republican Party and the President can not escape responsibility for the serious and disastrous consequences that have followed the Hawley Tariff Act and the marketing act which created the Farm Board. The President expressed gratification when the marketing act was passed. He selected persons whom he desired to carry the act into effect and named Mr. Legge as president.

Mr. GORE. Mr. President——

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

Mr. KING. I yield for a question only.

Mr. GORE. I will ask the Senator if he remembers the statement issued by the President when he appointed members of the Farm Board, to the effect that he was conferring upon them and that they would exercise powers and responsibilities greater than any other board that had been created?

Mr. KING. I recall the statement to which the Senator refers. Of course, the President having devised the marketing act which provided for a board to carry into effect the terms of the act, desired that the board should have almost unlimited power. He desired and recommended that the enormous sum of a half billion dollars should be placed in their hands. It was a rather ambitious scheme. Perhaps the President believed that it was a noble experiment; certainly it has been an unwise and expensive experiment, and the Republican Party, judging from its recent platform, is still enamored of it and exhibits no spirit of repentance for its violation of sound policies.

Mr. HOWELL. Mr. President——

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

Mr. KING. I will yield for a question, but the Senator from Nebraska will please bear in mind the fact that I shall lose the floor if anything other than a question is submitted.

Mr. HOWELL. Does the Senator know what amount of money the Farm Board has on hand at the present time?

Mr. KING. My recollection is that out of the $500,000,000 appropriated there are a few million dollars still available, but the Farm Board has many obligations which, if discharged at the present time, undoubtedly would require a larger amount of cash than is now available for the board. The Senator from Tennessee [Mr. MCKELLAR], who is a member of the Appropriations Committee, I think can answer more definitely than I the question asked by the Senator from Nebraska.

Mr. MCKELLAR. Mr. President, a few days ago the chairman of the Farm Board, Mr. Stone, was before our committee. He stated that $250,000,000 of the $500,000,000 had been already lost. He then stated that the board had on hand at that time about $22,000,000, but that $18,000,000 of that $22,000,000 had already been allocated or promised to borrowers, and that the net amount which the board had on hand was therefore about $4,000,000 out of the $500,000,000.

Mr. KING. Mr. President, I think not even the board can tell what its losses are. From all that I can learn, if it were required to wind up its business within the next six months or a year it might be able to do so without leaving unpaid claims. However, a prompt settlement might leave obligations unpaid and, of course, the Government would lose not only the $500,000,000, together with interest thereon, but several million dollars which have been appropriated to meet the running expenses of the Farm Board.

Mr. President, returning to the resolution before us, I have made some inquiry and I am advised that the liens

upon 45,000,000 bushels of wheat and the 500,000 bales of cotton, which it is intended to donate to the Red Cross, amount to approximately $40,000,000. Every day there are additional obligations incurred. There are insurance and storage charges that constitute a very considerable item. I can understand the willingness, perhaps the eagerness, of the Farm Board to have this measure passed. They have heretofore parted with 35,000,000 bushels of wheat at no inconsiderable cost to the Government which was donated to the Red Cross for distribution. They have sold to China 25,000,000 bushels of wheat without receiving a single dollar, but were so eager to get rid of it that they took the bonds of the Chinese Government, which have but little, if any, market value. I do not wish to comment on conditions in China, but I think it will be conceded that the Chinese transaction was not a sound business transaction. If the Farm Board can not get rid of the wheat and cotton now in its possession, either by giving it away or by parting with it to China or some other country that can give but little, if any, security, it may be unable to realize sufficient from the sale of the same to discharge the liens which are constantly increasing, and this situation might result in the Government being called upon to make further appropriations to meet such unpaid obligations.

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

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

Mr. KING. I yield for a question only.

Mr. GORE. The Senator has just remarked that the deficit on the part of the Farm Board is daily increasing. I will ask the Senator if he does not recall that the deficit in the Federal Treasury during the fiscal year closing June 30 last year was $900,000,000, and that during that year the Farm Board dissipated more than half of that amount, $500,000,000?

Mr. KING. The Senator is right, and the deficit for the fiscal year ending June 30, 1932, is approximately $2,900,000,000.

Mr. GORE. I would like to ask the Senator if he knows why the Federal Treasury is so empty? If he does not know, I can tell him. It is because the Treasury has been cleaned out with a Hoover vacuum. [Laughter.]

Mr. KING. Mr. President, I have already occupied the time of the Senate much longer than I had anticipated, and must pretermit a discussion of the matter presented by the Senator from Oklahoma. I would add, however, that unsound political and economic policies projected and executed by the party in power have brought about the frightful depression which is now afflicting the American people. A narrow and selfish policy in dealing with foreign nations and foreign policies has been a contributing factor; the encouragement of unsound banking and stock-gambling speculation has likewise been an important contributing factor. Notwithstanding the heavy burdens of taxation imposed upon the country, there has been, as indicated, an enormous deficit, greater than any country in the world in peace times has ever experienced; and I can not help but believe that the deficit for the present fiscal year will be in excess of a billion dollars. The Budget will not be balanced, and further borrowings will be necessary to meet the expenditures of the Government.

The resolution before us adds to the deficit by requiring an appropriation of $40,000,000 to be paid not by the Farm Board but from the Treasury of the United States.

Mr. President, I regret that the amendment which I suggested has not been accepted by the committee. It calls for $10,000,000 less than the amendment offered by the Senator from Tennessee, which is now a part of the resolution. I shall not ask for a vote upon the substitute which I offered, in view of the many evidences that when Congress meets in December there will be legislation dealing with the Farm Board. It is regrettable that pending measures with reference to the Farm Board have not been acted upon, and it is also unfortunate that Congress is called upon to appropriate sums which in the aggregate will perhaps exceed the enormous appropriations for the fiscal year just closed. Notwithstanding the appropriations will be less by several hundred million dollars than the Budget estimates recommended by the President, they are, in my opinion, beyond reasonable and proper limits.

Mr. LEWIS obtained the floor.

Mr. JONES. Mr. President——

Mr. LEWIS. If I may yield for the purpose of having the joint resolution adopted without losing my place, I should like to accommodate the Senator from Washington.

Mr. JONES. The Senator can obtain the floor without any trouble after we act on the joint resolution. There will be no objection to that. I ask for an immediate vote on the joint resolution.

Mr. GORE. Does the Senator refer to House Joint Resolution 461?

Mr. JONES. Yes.

The VICE PRESIDENT. The Senator from Oklahoma has given notice that he desires to speak on the joint resolution.

Mr. LEWIS. Then I prefer to proceed with what I have to say if the Senator from Oklahoma desires to present extended remarks, and I think I happen to know he does.

Mr. JONES. Very well.

CANCELLATION OF FOREIGN DEBTS—ACTIVITIES OF EUROPEAN STATESMEN ASSUMING TO BIND THE UNITED STATES

Mr. LEWIS. Mr. President, I am not drawn to a discussion of the present subject. I think the Senator from Utah [Mr. KING] has brought attention to many details which he feels should be considered. He has given security to agriculture and honest expenditure by the Treasury by his vigilance. The Senator from Oklahoma [Mr. GORE] has from time to time interpreted this measure proposed as to the Farm Board. He will follow me, and no doubt will contribute something of great value to the discussion of the pending matter, and the Senator from Tennessee [Mr. MCKELLAR], in connection with the question of appropriations, will no doubt enlarge in a most intelligent way on the figures involved. Mr. President, I arise for other purposes and of far-reaching international purport. I realize that today we may adjourn the United States Senate before midnight, and that final adjournment is surely to come sometime during the night at the conclusion of our day's labors.

I alluded yesterday to a subject which I said some one should address himself to, but the opportunity was not afforded because of the necessity for considering more important matters. I now, Mr. President, take the task upon myself. I ask a few minutes of the time of the Senate to bring their attention to the matter as to which we ought to inform the world. We owe it now to give that information to the world for the purpose of saving a distressful situation to the President, to both political parties, and to the people of the United States.

Mr. President, I wonder if in the busy life you have been compelled to live your attention has been drawn to the fact that we are now having a new order of human beings in public affairs of the world. They can properly be termed international lobbyists; and we are having a set of men nowadays in the different nations who, as bribers for royal favor—or royal favor of international bribers—either assemble at some place where some commission has been called to discharge duties of one kind or another or who gather to serve private interests, and are such that they assume in the guardianship and protection of those interests to announce themselves as the representatives of international affairs. I refer to that class of men who, calling themselves "statesmen," are announcing morn and eve new propositions either as to the cancellation of debts which foreign governments owe the United States or as to arrangements which have been entered into in connection with canceling the debts existing between themselves as foreign lands. Then, sir, comes the proposition as to how they—these eminent "international statesmen"—will adjust matters between themselves and Germany. Then the situation appears to be colored where it may be said that the new statesmen have been able to give to such adjustments not only international approval but can carry with it the approval of the United States of America, forsooth that they assume

to be the spokesmen for either the President of the United States or the heads of the different political parties that are dominant in the United States. This includes ambassadors and Cabinet officials.

I invite you, sir, to the consideration that in the last few days the equanimity of this assemblage in the concordance of their audacity that we have been attempting to do, through these and their retinue, the harmony and the closure of what would have been a closing session of usefulness, and already with the passage of bills which are of great value. This composure and its offerings of profit is to be greatly disturbed by the messages coming over the international wires of how announced influenced gentlemen in two foreign countries had assumed to enter, first, upon the disposition of the disarmament conference to their own private advantages, holding back whatever the object of their secret understanding might be. Then, second, that there has been a secret "arrangement touching the matter of the cancellation of debts due between foreign nations and the United States."

It was stated that this has been done between statesmen of England and statesmen of France, and that two of these guiding gentlemen assumed to be spokesmen of the United States. We were made aware that the distinguished Executive of our country was compelled to make reply, as this morning's newspapers now disclose; also, the chairman of the Foreign Relations Committee of the Senate, Mr. BORAH, of Idaho, was called upon to read a letter received from the Secretary of State in order to provide some quietude for these disturbing rumors, so that only after this we could continue with the work of the Senate along the lines necessary and being pursued at the time.

Mr. President, as a Member of this body, honored perchance beyond my desserts, I desire to say the time has now come, and at this moment, when the United States Senate should send out the message that while it is in the short adjournment between now and the December session or between now and any special session which the President of the United States may call, no representative of any foreign government on earth, however high his position or daring his assumption, is a representative of the United States; also that no aggregation of men in the form of an assembly or a convention or conference of any nature can send out the intimation of their assurance that they have the support of the United States in the adjustment of foreign debts, either those due us or those due one foreign country to another.

I wish to remind the honorable Senate that while we were in adjournment last year the President of the United States, by telegram, obtained the consent of a sufficient number of the Members of the Senate to put before the world the theory that he could deliver the Senate in a moratorium; and international representatives, or those who assumed to be such in two of these countries, presumed to pledge this honorable body as to what it would do. So when we met here last December there were those of the Senate—and I was one—who against their will nevertheless supported the moratorium measure on the theory that the promise of the President had practically been pledged and it would be dishonorable to his office and to our country if we allowed a departure from it.

I wish in the few words, the very few with which I shall conclude, to say that the time has now arrived when the United States should send to the world the notice that the only people who can bind the United States to any adjustment or arrangement touching foreign questions involving the United States are the people of the United States. That in connection with any arrangement attempted on the part of those who lately have been assuming to say that there has been a secret understanding, but carrying always the approval of the people of the United States, it must be understood that the people of our country know that only the United States Senate can give confirmation to any arrangement between ourselves and foreign countries or foreign representatives which assumes to bind the United States. In our absence let the foreign nations understand that we expect to repudiate on every public stump, in every public place, any assertion on the part of those who have assumed to be the voices of foreign nations, and likewise on the part of those who presume to set themselves up as intermediate and international lobbyists, that the United States is pledged to whatever action they may profess. Then, Senators, turn to us when we shall have again assembled and say, "It is bad faith on the part of America if she shall now repudiate what is generally understood to have been the policy and which is to be the policy in force in behalf of the foreign nation or its foreign representatives." Let us not now be caught in that trap or ensnared in that net on the theory that in our absence there will be those who will assume to be speaking in behalf of the United States and in the contention that so speaking they have our approval and who will then raise the question that, having gone so far as to give encouragement to the foreign countries, it would be bad faith on the part of the United States to attempt to repudiate the action.

This is the moment the Senate is about to adjourn, when I wish to have it said that it is the duty of the Senate now to tell the world that if there is an attempt at a repetition by these international lobbyists, who call themselves statesmen of international affairs, to have a whispering conference upon any subject and then hold up that the United States is being bound by it and should in good faith carry it out, our reply is that only the people of the United States at the coming elections, at the ballot box, with the positions taken before the Nation as necessarily presented by either political party, can bind the people of the United States in a political convention; second, that the only body that can give ratification to any actions that attempt to bind the United States touching international questions is the United States Senate; that no person whomsoever by telegram, cablegram, intimate voice, underground conversation, or subterranean policy can be accepted as binding the United States, and that whatever they may send forth to the world as having authority upon us is to be treated as a subject of our immediate repudiation upon the reassembling of the United States Senate.

Therefore, sir, to the preservation of the rights of America and its international relations before the world, the United States Senate, so far as I am allowed to speak as one Member of it, is to announce that only the people of the United States can bind us; only the United States Senate is the source that can ratify, and until these two have done that, those who shall attempt by whisper or conference to bind us will be treated by us as those who are assuming in insolence a power they do not possess and which can not be approved. It is the strength of national justice to international rights upon which we of America stand with America and the world.

WHEAT AND COTTON FOR THE RED CROSS

The Senate resumed the consideration of the joint resolution (H. J. Res. 461) making appropriations to enable the Federal Farm Board to distribute Government-owned wheat and cotton to the American National Red Cross and other organizations for relief of distress.

Mr. GORE. Mr. President, I do not intend to detain the Senate by a discussion of House Joint Resolution 461. There are one or two observations, however, which I wish to make.

The Senator from Tennessee [Mr. MCKELLAR] a few moments ago suggested that we either ought to abolish the Farm Board or that we ought to abolish agriculture. I think the task of destroying agriculture may well be left to the Farm Board itself; indeed, the French have a phrase, "fait accompli"—an accomplished fact. The destruction of agriculture is already an accomplished fact. The question that should concern the Senate is how to roll the stone away from its grave and effect the resurrection of agriculture. Perhaps the Farm Board itself is the stone. By a sort of fatal coincidence its chairman is named Stone. Perhaps in the future we shall be able to roll this stone from the sepulcher of agriculture.

I have one regret in connection with the adoption of the "lame duck" amendment to the Constitution, for sometimes the 3d of March at the closing of Congress affords

an opportunity to execute or electrocute some fungi that have grown up upon the body politic, and I hope that on the 3d day of next March we may be able to witness the demise, or effect the execution of some of these agencies which are agencies of destruction.

The Senator from Utah [Mr. KING] seemed to marvel that the Farm Board was the apple of the President's eye; that it seemed to enjoy his political favor and patronage—perhaps, like President, like board. If a tree may be judged by its fruit, perhaps the board may be judged by its havoc.

In earlier days the President was called the "miracle man," and perhaps he deserved the name. His crowning miracle, I would suggest, is the prevailing depression. To have wrought such havoc in a land of plenty and prosperity is little short of a miracle.

The Farm Board has devoted its time and its talents to repealing the law of supply and demand, amending the laws of human nature, and suspending the law of gravitation.

The members of the board, personally, are excellent gentlemen. They have attempted an impossibility. For some unaccountable reason, they have not succeeded.

Mr. President, I, of course, am opposed to the pending joint resolution, but I shall not obstruct its passage. Its vices are so many, its follies are so great, as to render its passage inevitable.

I do not believe that under the Constitution of the United States, Congress has any power to tax the American people and use that money to make gifts and gratuities to any other class of the American people. I do not believe that under the Constitution of the United States Congress has any power—I am certain that it has no right—to take a dollar out of the pocket of one citizen and transfer that dollar as a gift to the pocket of any other citizen. Every Senator has a perfect right to devote his own money to charity. No Senator has a right to vote or devote the people's money to charity. That is all the power that any despot or any tyrant ever desired to exercise—to take the property of his people for naught and apply it to his own use or to purposes that are acceptable to the tyrant or to the despot.

I have alluded in the past to the fact that free grains first wrought the destruction of the Roman Empire and afterwards wrought the ruin of the Roman Empire. When that empire fell 1,000,000 people were receiving free grains from the treasury of the empire. In Rome, Alexandria, Antioch, and Constantinople 1,000,000 people were subsisting upon gifts and gratuities out of the public treasury. The vice began in Rome when it was the capital of the republic. It spread first to the larger cities, then to the smaller, to the provincial cities.

When you begin a vice of this sort you can not set its bounds. When you give to one class of citizens you can not deny a gift to other classes. One citizen has as much right to live at public expense as has another. Who is to discriminate?

Mr. President, I have here a letter which sheds some light upon the way in which this Red Cross flour has been distributed. I ask to have it read at this point for the edification of the Senate, to encourage it in its bestowal of gifts and gratuities upon our people. I may state that this letter comes from the Chamber of Commerce of the town of Stillwater, Okla. I want Senators to listen to it.

The VICE PRESIDENT. Without objection, the clerk will read the letter.

The legislative clerk read as follows:

STILLWATER MILLING CO.,
Stillwater, Okla., June 22, 1932.

MY DEAR SENATOR: Within the past two weeks I have received perhaps a dozen letters, some excerpts from which I quote: "At Brinkly, Clarendon, and Stuttgart the Red Cross seems to be trying to unload excess allotments of flour by actually shoving it off on people, urging them to take it. Any individual seems to be able to get seven or eight sacks. Many times people take out flour and trade it to their neighbors for grain, canned goods, groceries, or what have you. Two cars were unloaded at Little Rock to-day and the Red Cross seems to actually be at a loss as to whom to give it. The lady who does Mrs. Evan's washing told us this morning they have nine sacks in their storeroom. This lady owns her own home and while she is reasonably poor, is not in want by any means." From Russellville, Ark.: "Two cars of Red Cross flour came to town this morning and literally anyone can get it. Most of the needy have quite large stocks secured from the former shipments and the distributors seem to be looking for some one to give it to. I personally know of places where families have five or six sacks. I would not be surprised to see advertisements by the Red Cross asking people to come and take it." From Bristow, Okla.: "There sure must be a lot of wheat. Two more cars of Red Cross flour came in to-day. We tried a little experiment. Sent one of my clerks down in the delivery truck. He asked for two sacks and got it. I know there were two or three persons around the warehouse putting out flour that personally knew him." From Oklahoma City: "We tried a rather funny stunt here to-day. Sent a woman in a taxi down to the Red Cross headquarters to get a sack of flour and she actually got it. There have been 1,600 barrels poured into this town in the last two weeks in addition to 1,700 barrels about two months ago. This is more flour than the town has ever used in any six months through the stores. Niggers are trying to trade flour for gas."

These are bona fide cases by men who are honest and reliable. To-day we begin to pay a ridiculous excise tax to support the Government. Why? It seems we are soon going to give everyone their living. Who is going to pay this? I read in this morning's paper that Government employees are to get a month's furlough without pay. Why in the name of God if they can get a furlough don't you fellows see that one-twelfth of the force is fired? Save all their salary. You know, Senators, we fellows who pay the bills are soon going to go bolshevik. How are you going to tax prosperity back?

I am president of the chamber of commerce here in our little town. I am a conservative, have always been, but the time will come when we all must turn to something—I don't know what it is. I have about 50 men working here earning a living. They are not asking for Red Cross flour or a dole, but you fellows are rapidly taxing me to a place where I can't operate. Soon these 50 and myself will be on the Government. You are making paupers out of otherwise self-respecting citizens.

I have talked to a lot of farmers, fellows in the chamber, and fellows out in the mill the past month. The general sentiment seems to be to vote against everyone in office, with the idea that to turn out every damn one of them will at least put the fear of God into their hearts and get them down to earth. I am predicting this is going to be a bad year for the "ins," whether they be Democrats or Republicans. You fellows who have been right will probably go with the rest. Were I you I would raise my voice long and loud against throwing away money, especially money the Government doesn't have.

Reading this letter over it sounds like something a fellow could have been put in jail for 20 years years ago. At least if my old granddad ever thought I would write such a letter, he probably would die of shame. As I say, I am a conservative. Have always been one, but now I don't know. What are we going to do and where do we go from here? * * *

Very truly yours,

W. J. GROVER,
Assistant Manager.

Mr. GORE. Mr. President, I have here a much shorter letter written by the Democratic county chairman of one of the counties in Oklahoma. For obvious reasons I withhold the name, although I know the writer quite well.

The VICE PRESIDENT. Is there objection to the reading of the letter? The Chair hears none, and the letter will be read.

The legislative clerk read as follows:

[Extract from letter from a Democratic county central committeeman]

JULY 9, 1932.

DEAR SENATOR: There is one ——— ———, ex-county treasurer of this county, who is running for Representative and making race on giving away Red Cross flour, and his friends are telling them they can't get flour unless they vote for ——— ———. ——— and ——— have charge of local Red Cross.

* * * * * * *

Mr. GORE. Mr. President, one other incident which I will relate:

Congressman HART, of Michigan, owns an elevator at St. Louis, Mich. The wife of his superintendent, Mrs. C. B. Phillips, is charged with dispensing Red Cross flour in that town and vicinity. The applicants became so numerous, and the pressure so great, that as a means of self-protection she adopted a rule that applicants must obtain the indorsement and the signature of one of the members of the board of county supervisors. She did that for her protection, as a sort of breakwater. The supervisors, however, seemed to be enterprising. They advertised, or bruited it abroad, that the way to get Red Cross flour was to secure their signature or indorsement. They were in politics. The applicants multiplied, and the pressure increased so much as a result of this rule that Mrs. Phillips had to abrogate the rule as a matter of self-protection.

There are about 10,000,000 bushels of wheat still left from the appropriation made to the Red Cross last winter. This measure proposes to add 45,000,000 to that amount. Let me say here, Mr. President, as I observed in the beginning, that I do not believe this Government has the right or the power to take money from the pocket of one citizen and bestow it as a gift upon any other citizen. If any of our governments must bestow gifts, gratuities, alms, doles, it ought to be done by either the State governments or the city governments, where they have immediate contact and can superintend the dispensation of charity. I think that for every dollar that passes out of the Treasury of the United States there ought to be something in return, some compensation to the public or to the taxpayers who made contribution of that dollar. That is the principle upon which I would insist.

The letter just read stated that we were making paupers out of self-respecting citizens. Mr. President, I may be wrong, but I have a theory that self-respect is the last virtue to take leave of a failing character. I think that every other virtue may go, so long as self-respect remains; and that all other vices may come, and yet there is a chance for reform, so long as self-respect abides. I think that self-respect is the sheet anchor of the human soul, and so long as that anchor holds safety may yet return; character may be maintained. Sir, when that anchor breaks I doubt if there is any return or any hope of reform.

I have intimated before that the policies adopted by this administration and by this Congress in this depression and to relieve this distress have not been well conceived. They have not been based upon sound principles. They do not promise results. I think they will aggravate our grief instead of relieving it. I do not believe that depression or distress can be ended by gifts, gratuities, doles, and alms handed out by the Federal Treasury, and extorted from taxpayers that are bleeding at every pore.

I do not believe you can end this depression by issuing bonds, and more bonds, and still more bonds, by creating debts, and more debts, and still more debts. I do not believe you can end this depression by imposing taxes, more taxes, and still more taxes. I think what this country needs is less taxes and more trade; not more taxes and less trade.

We are doing worse than pursuing shadows until we adopt some constructive measures which will revive trade and commerce and revive industry in turn. We can never restore prosperity in this country until we revive trade; we can never revive trade until we remove or diminish the hindrances and the obstructions to trade.

Mr. President, trade is a blessing and not a curse. Taxes are a curse and not a blessing. Trade is the process by which two men get what both men want, each parting with what neither needs and each profiting by what neither loses.

Until we revive trade, or until, in spite of our obstructions, trade revives itself, this depression will continue and this distress will continue to rage.

Mr. President, in connection with my remarks, I wish to have printed in the RECORD several documents. They are marked and they relate to the Farm Board. I will call the attention of Senators to the fact that I offer for printing in the RECORD the circular letter gotten out by a subsidiary of the Farm Board, instructing farmers to write Senators and Representatives, and advising them that one letter written with a lead pencil was worth two or three letters written with a typewriter.

We hear talk of efficiency; that is the reason why this board is so popular with the President. He is an engineer and he appreciates efficiency.

I ask to have these documents printed in the RECORD.

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

DALLAS, TEX., *November 1, 1931.*

DEAR FRIEND:

* * * * * * *

Mr. Moser stated further:

"One letter written by a farmer on a piece of scratch paper with a lead pencil is worth more in the hands of a Congressman than three or four typewritten letters from those who write regularly."

The subject matter of the attached form letter can be used to good advantage. Have the good friends of the act, in as many communities as possible, rewrite this letter in their own language, using their own stationery, addressing them to Hon. MORRIS SHEPPARD, United States Senate, Washington, D. C., Hon. TOM CONNALLY, United States Senate, Washington, D. C.; also to all Congressmen in their respective districts, addressing them also to Washington, D. C. It might be advisable to have the rewritten letter signed by a number of friends of the act; however, individual letters are generally more effective.

This is an important matter and should not be delayed. We want to know of the progress you make, number of letters written to Congressmen, by whom, and acknowledgements in so far as those come to your attention.

Please advise with us further should the occasion require it.

Very truly yours,

R. J. MURRAY,
General Manager Texas Cotton Cooperative Association.

(Suggested form letter for farmers to sign, sent out by R. J. Murray, general manager, Texas Cotton Cooperative Association)

DEAR { SENATOR: / CONGRESSMAN:

I am so genuinely interested in the preservation of the agricultural marketing act, as passed by Congress in 1929, that I am taking the liberty of writing you this letter to express my feelings and to urge your vote and support to this end.

It seems that there is opposition to this program of cooperative marketing that has been so beneficial to the farmer and the agricultural interests generally. I believe that this opposition comes from selfish interests, many of which have been benefited from protective laws, appropriations, and otherwise. And now that Congress has made an honest effort to place some avenue at the disposal of the farmer, which will enable him to help himself, the cry is raised that the Government is in business, and subtle efforts are being made to cripple or destroy this great law.

In times like the present I believe that the farmer, upon whom so many and varied interests depend as a basis of operation, should not be denied any opportunity that will give him a hope of advancing his own interests.

I have full faith in the value of the cooperative marketing system to the agricultural industry. I feel that it has not had time to develop its real effectiveness. The world-wide depression has had its effects upon this program, the same as it has had upon every other line of human endeavor.

I know that I can only register my indorsement of this measure through my Congressmen, and I have full confidence that they will give sincere consideration to the views I express. I am safe in the statement that a vast majority of the rank and file of those engaged in the agricultural industry comprehending a third of the population of the United States are anxious to see the agricultural marketing act preserved; in fact, strengthened if possible. I know that thousands are taking advantage of the opportunity that it offers, and that thousands of others will do so when they understand the benefits that will come to them through the avenues that it affords.

In submitting these views I believe that I am expressing the sentiments of the masses, and I believe that you will give favorable consideration to these appeals.

I am, therefore, asking that I be favored with your views in regard to this great law, and I am asking that you write me frankly as to the same.

With expressions of renewed confidence in the loyalty that you have to the interests of the common people, and asking to hear from you at an early date, I am,

Yours very truly, ——— ———.

YOUR CONGRESSMAN WANTS TO HEAR FROM YOU—HE IS YOUR AGENT AT WASHINGTON—HE WANTS TO PROTECT YOUR INTERESTS

Now that Congress is soon to convene is a good time for you to tell your Congressman some things you want him to do.

The agricultural marketing act has made it possible for cooperative associations to establish in your community a service that insures a market for farmers' products more nearly in line with their value. The activities of cooperative marketing associations have also caused commercial handlers of farmers' products to operate on a smaller margin of profit and eliminate unnecessary handling costs that formerly were absorbed in the price paid the producer for his commodity.

The cooperative marketing system has made and saved hundreds of millions of dollars for farmers. You have shared in these savings directly or indirectly. As you know, the plan is being assailed by well-organized and strongly financed interests who want to destroy the agricultural marketing act, the only piece of legislation of real value to the agricultural and livestock industries.

Yet the interests that are fighting the agricultural marketing act have been favored by Congress in the passage of restrictive laws, direct appropriations, and in other ways.

Urge your Congressman to give the agricultural marketing act and cooperative marketing a fair trial—a fair test.

IT IS ENTITLED TO A CHANCE TO FUNCTION

Write your Congressman. Appeal to him to stand by the agricultural marketing act in the interest of farmer organized effort to place agriculture upon a parity with other industries.

TEXAS COOPERATIVE COUNCIL,
A Conference Body of Farmers' Cooperative Commodity Associations,
No. 1108 South Ervay Street, Dallas, Tex.

ENID, OKLA., *June 29, 1932.*

Hon. THOMAS P. GORE,
United States Senator, Washington, D. C.

DEAR MR. GORE: The inclosed letters are quite self-explanatory. There are a few statements, however, that we would like to make in addition.

The condition mentioned in our letters of the 21st does not exist at only one point, but it is true in nearly every case where there is a locally owned farmers' elevator and a wheat pool or Farmers National Grain Corporation elevator operating in the same town. At a large number of points where this condition exists the Farmers National Grain Corporation does not own facilities, they merely have them leased. In the face of these facts they maintain that they are entitled to an equal share of the grain. They don't take into consideration that in most of these localities a large number of the producers are stockholders of the local owned farmers' organization and, therefore, will naturally market their grain through their own organization. As set out in our letter to Mr. Stone, they demand a share of the receipts at these points regardless of the fact that the local farmers' elevators were operating successfully before the wheat pool or Farmers National Grain Corporation came into existance.

We have been approached at different times by representatives of the Farmers National Grain Corporation and solicited to merge with them or work under a contract where they would direct the policies of our organization. Our directors and stockholders have not seen fit to do this, and it is apparent now that the plan of Farmers National Grain Corporation is to crush our organization, if possible, and force it to come in with them. This we do not think is cooperation in any sense of the word.

It is our understanding and belief that when the Congress of our United States passed the agricultural marketing act they did so with the full intention of helping to build cooperative marketing organizations rather than tear down the successful cooperatives that were already operating and rendering a valuable service. Therefore we feel that the administration of Farmers National Grain Corporation is not in a large measure what it was intended to be, and that if it is to succeed it is absolutely necessary that its policies be changed. Surely the activities of Farmers National should be constructive rather than destructive to cooperative organizations.

You will not in our letters to Mr. Stone that we ask him to take some action and advise us. To date we have not heard a word from him in regard to the matter. It may be possible that he is ill or away from his office. We felt, however, that due to the position you hold you should be advised as to what is going on. We understand and appreciate your interest in the welfare of cooperative marketing and agriculture as a whole, therefore we know we can depend on you to exert your efforts to bring about a change in the practices of Farmers National Grain Corporation, because if the present practices are allowed to continue it is evident that they will wreck the intent of the agricultural marketing act.

With our kindest personal regards and best wishes to you, we are,

Sincerely yours,

UNION EQUITY CO-OP. EXCHANGE,
E. N. PUCKETT, *Manager.*
FARMERS CO-OP. GRAIN DEALERS ASS'N,
ROY BENDER, *Secretary.*

ENID, OKLA., *June 21, 1932.*

Mr. JAMES C. STONE,
Chairman Federal Farm Board, Washington, D. C.

DEAR MR. STONE: As I have written you in previous letters, the Farmers National Grain Corporation are practicing very unfair competition, especially in our home territory on the Spearman Branch.

Mr. Carpenter is contending that they are entitled to what he terms their part of this business out there, and I wish to call this to your attention as well as theirs that the Perryton Equity Exchange was organized in 1919 and has enjoyed the hearty support and confidence of the good farmers of Oklahoma and Texas ever since. In 1920–21 and 1922 the wheat growers kept coming out telling us of just what they could do for us, and finally in 1922 they came out so strong and with such extravagant claims that they could cure all the ills of marketing farm products we decided to give them a trial and did, to the sorrow of most all that signed up with them. We wish to say here that almost every one of their members was our member first and still is, as they own stock with the Perryton Equity Exchange.

I wish to say here that the Perryton Equity Exchange have handled from 40 to 65 per cent of the total receipts at Perryton since 1920. I am inclosing you a record of their business for all of these years.

Now what has happened? In 1929 the agricultural marketing act was passed, and the Federal Farm Board was created. And then what happened? The Farmers National Grain Corporation was created and we, in good faith, because we believed in 100 per cent cooperative marketing, and with the promise from the Federal Farm Board that we, along with others, would get a square deal, took stock with the Farmers National Grain Corporation.

Then what happened? The Federal Farm Board has and still is permitting three or four men to dominate and rule the Farmers National Grain Corporation to the detriment and disgrace of the cooperative marketing of farm products, refusing good 100 per cent cooperative institutions, as ours, representation or any say whatsoever in the conduct or policies of the business, and still practice this after we gave them 100 per cent of our business for nearly two years.

Now what is happening? The Federal Farm Board is furnishing the money and permitting the Farmers National Grain Corporation to use this money, that is just as much our money as yours or theirs, and was intended by Congress to help institutions as ours, for the purpose of trying in reality in an unlawful manner to crush our organization by unjust discrimination in paying as much as 5 cents and 6 cents per bushel more for wheat at points where we have our most loyal organizations than they are at other points where we have no stations, to try to crush us.

It has been the policy of our organization ever since it was organized to buy grain on a uniform margin of profit. Long before the Farmers National Grain Corporation came into the picture we tried to induce the Wheat Growers' Association to practice this true policy of cooperation, but to no avail.

Your Mr. Carpenter has been threatening us with the boast that they can pay 3 cents over track bid at our stations the entire season and still make money by buying at a profit at stations where we have none. Now, you know this is pure and simple old lineism, and never has worked nor never will. Can it be called cooperation in any sense?

I want to say here, Mr. Stone, that the Farmers National Grain Corporation has at numerous times, by what I term an indirect method, tried to buy us off to their extravagant way of doing business, but we are not for sale.

Mr. Stone, if you do not do something to change the policies of the Farmers National Grain Corporation immediately, I believe they will absolutely destroy the cooperative-marketing movement in this country. I wish to say here that we do not want any advantage over any fair, legitimate competition; and if we do not get our share of the business on a small uniform margin of profit, we will not complain.

We have been accused of trying to attract pool members to our organization with special service. It is true that we are trying to give the best service possible at all times, but we do not give better service or price at one point than we do at another. We have learned from pool investigators that the reason they are losing volume and membership is on account of their own unfair practices in the past.

Mr. Stone, we are serving notice on you right now that if we do not get a wire by June 25 that you will stop such unfair practice as above, we will immediately call our board together to make plans to advertise these facts not only to our farmers but to all farmers and business men through the entire country.

Yours very truly,

UNION EQUITY CO-OP. EXCHANGE,
E. N. PUCKETT, *Manager.*

FARMERS COOPERATIVE GRAIN DEALERS ASSOCIATION
OF OKLAHOMA,
Enid, Okla., June 21, 1932.

Mr. JAMES C. STONE,
Chairman Federal Farm Board, Washington, D. C.

DEAR MR. STONE: You, of course, are familiar with the fact that the Union Equity Cooperative Exchange is the official grain-sales agency for our association. In this connection we want to say, Mr. Stone, that we have investigated the statements made in Mr. Puckett's letter to you of even date and that we find them to be true in each and every case.

Our association has all along the way supported the agricultural marketing act and the national plan of cooperatively marketing farm products. We still believe if the plan was properly administered that it could be made of wonderful benefit to agriculture. We are frank to say, however, that if the present policies and practices of the Farmers National Grain Corporation are continued, we feel that it will not only wreck the national marketing program but tear down more confidence in the cooperative-marketing movement as a whole than can be rebuilt in the next 50 years.

We have stood apart from our national association in their attitude toward the Federal Farm Board and the Farmers National Grain Corporation, but it begins to look like they were right and we are wrong. We hope, however, that this is not true, and that your board will take immediate action and correct the condition that our sales agency is calling to your attention.

With our kind personal regards, we remain,

Sincerely yours,

ROY BENDER, *Secretary.*

Mr. GORE. Mr. President, I am authorized by the junior Senator from Utah [Mr. KING] to withdraw his amendment to the joint resolution.

The VICE PRESIDENT. The question now is on the engrossment of the amendments and the third reading of the joint resolution.

The amendments were ordered to be engrossed and the joint resolution to be read a third time.

The joint resolution was read the third time and passed.

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Chaffee, one of its clerks, announced that the House had passed without amendment the following bills of the Senate:

S. 4912. An act to protect the copyrights and patents of foreign exhibitors at A Century of Progress (Chicago World's Fair Centennial Celebration), to be held at Chicago, Ill., in 1933; and

S. 4976. An act granting the consent of Congress to the Highway Department of the State of Tennessee to construct a bridge across the South Fork, Forked Deer River, on the Milan-Brownsville Road, State Highway No. 76, near the Haywood-Crockett County line, Tennessee;

The message also announced that the House had passed a bill (H. R. 12977) to amend section 808 of Title VIII of the revenue act of 1926, as amended by section 443 of the revenue act of 1928, in which it requested the concurrence of the Senate.

ENROLLED BILLS AND JOINT RESOLUTION SIGNED

The message further announced that the Speaker had affixed his signature to the following enrolled bills and joint resolution, and they were signed by the Vice President:

H. R. 1289. An act for the relief of William Dalton;

H. R. 1834. An act for the relief of Claude E. Dove;

H. R. 2189. An act for the relief of Elsie M. Sears;

H. R. 7199. An act for the relief of Frank Martin;

H. R. 7215. An act for the relief of May Weaver;

H. R. 12281. An act to encourage the mining of coal adjacent to the Alaska Railroad in the Territory of Alaska, and for other purposes; and

S. J. Res. 206. Joint resolution making available to the Banking and Currency Committee of the Senate certain information in the possession of the Treasury Department and the Bureau of Internal Revenue.

LOANS TO VETERANS ON ADJUSTED-SERVICE CERTIFICATES

The VICE PRESIDENT laid before the Senate the amendment of the House of Representatives to the bill (S. 4569) relating to loans to veterans on their adjusted-service certificates, which was to strike out all after the enacting clause and insert:

That the first sentence of subdivision (b) of section 502 of the World War adjusted-compensation act, as amended (U. S. C., title 38, sec. 642 (b)) is hereby amended to read as follows:

"(b) Any national bank, or any bank or trust company incorporated under the laws of any State, Territory, possession, or the District of Columbia (hereinafter in this section called 'bank,'), is authorized to loan to any veteran upon his promissory note secured by his adjusted-service certificate (with or without the consent of the beneficiary thereof) any amount not in excess of the loan basis (as defined in subdivision (g) of this section) of the certificate."

SEC. 2. (a) Subdivisions (c) and (d) of section 502 of such act, as amended (U. S. C., title 38, secs. 642 (c) and 642 (d)), are hereby amended by striking out "6 per cent" wherever occurring in such subdivisions and inserting in lieu thereof "3½ per cent."

(b) Subdivision (l) of section 502 of such act, as amended (U. S. C., Supp. V, title 38, sec. 642 (l)), is amended by striking out "4½ per cent" and inserting in lieu thereof "3½ per cent."

(c) The amendments made by subsections (a) and (b) of this section shall not apply with respect to interest accrued prior to the date of the enactment of this act.

SEC. 3. Subdivision (m) of section 502 of such act, as amended (U. S. C., Supp. V, title 38, sec. 642 (m)), is hereby amended to read as follows:

"(m) Loans made by the Administrator of Veterans' Affairs under this section may at his option be made out of the United States Government life insurance fund, or out of the adjusted-service certificate fund created under section 505. In case of loans made out of the United States Government life insurance fund the fund shall be entitled to receive interest at the rate of 4½ per cent per annum, compounded annually, but, in respect of interest on any such loan accruing after this subdivision as amended takes effect, the amount by which interest at such rate exceeds 3½ per cent per annum, compounded annually, shall be paid to the United States Government life insurance fund out of the adjusted-service certificate fund."

Mr. NORRIS. I move that the Senate concur in the amendment of the House. The Senator from Utah wanted to have it put over, and he has no further desire to oppose it.

The motion was agreed to.

PROHIBITION—CONSTITUTIONAL AMENDMENT

Mr. GLASS. Mr. President——

The VICE PRESIDENT. The Senator from Virginia.

Mr. GLASS. Mr. President, there is on the desk Senate Joint Resolution 202, and I ask for its immediate consideration.

Mr. NORBECK rose.

The VICE PRESIDENT. Let the joint resolution be reported. The Senator from South Dakota has a conference report which he desires to bring up.

The CHIEF CLERK. Senate Joint Resolution 202, proposing an amendment to the Constitution of the United States.

HOME-LOAN BANKS—CONFERENCE REPORT

Mr. NORBECK submitted the following report:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 12280) to create Federal home-loan banks, to provide for the supervision thereof, and for other purposes, having met, after full and free conference have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 2, 3, 6, 7, 9, 11, 12, 13, 17, 18, 21, 24, 25, 27, 35, 38, 39, 40, and 42.

That the House recede from its disagreement to the amendments of the Senate numbered 1, 4, 5, 8, 14, 16, 19, 20, 26, 28, 29, 30, 31, 34, 36, 37, 43, and 44, and agree to the same.

Amendment numbered 10: That the House recede from its disagreement to the amendment of the Senate numbered 10, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert "insurance company, or"; and the Senate agree to the same.

Amendment numbered 15: That the House recede from its disagreement to the amendment of the Senate numbered 15, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert a comma and the following: "or, in case there is a lawful contract rate of interest applicable to such transactions, in excess of such rate (regardless of any exemption from usury laws), or, in case there is no legal rate of interest or lawful contract rate of interest applicable to such transactions, in excess of 8 per cent per annum" and a comma; and, on page 6 of the House bill, at the end of line 5, insert the following: "This section applies only to home mortgage loans made after the enactment of this act" and a period; and the Senate agree to the same.

Amendment numbered 22: That the House recede from its disagreement to the amendment of the Senate numbered 22, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following: ": *Provided*, That accumulated dividends, as provided in subsection (k), have been paid"; and the Senate agree to the same.

Amendment numbered 23: That the House recede from its disagreement to the amendment of the Senate numbered 23, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert "but in any case in which the rate of dividend is in excess of 2 per cent, the stock subscribed for by the United States shall be entitled to dividends at a rate not in excess of that paid on other stock"; and the Senate agree to the same.

Amendment numbered 32: That the House recede from its disagreement to the amendment of the Senate numbered 32, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert "its advances" and a comma; and the Senate agree to the same.

Amendment numbered 33: That the House recede from its disagreement to the amendment of the Senate numbered 33, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following: "The notes, debentures, and bonds issued by any bank, with unearned coupons attached, shall be accepted at par by such bank in payment of or as a credit against the obligation of any home-owner debtor of such bank" and a period; and the Senate agree to the same.

Amendment numbered 41: That the House recede from its disagreement to the amendment of the Senate numbered 41, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate

amendment insert "$300,000"; and the Senate agree to the same.

Amendment numbered 45: That the House recede from its disagreement to the amendment of the Senate numbered 45, and agree to the same with an amendment as follows: In lieu of the matter proposed to be stricken out by the Senate amendment insert a comma and the following: "except a national bank, trust company, or other banking organization" and a comma; and the Senate agree to the same.

The committee of conference have not agreed on amendments numbered 46 and 47.

PETER NORBECK,
JAMES E. WATSON,
DUNCAN U. FLETCHER,
Managers on the part of the Senate.
HENRY B. STEAGALL,
W. F. STEVENSON,
T. ALAN GOLDSBOROUGH,
L. T. MCFADDEN,
ROBERT LUCE,
Managers on the part of the House.

Mr. NORBECK. Mr. President, I ask for the immediate consideration of the conference report.

GRADUATES OF THE WEST POINT MILITARY ACADEMY

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

Mr. NORBECK. I yield.

Mr. REED. Out of order, from the Committee on Military Affairs, I report favorably without amendment Senate Joint Resolution 207, and, after a word of explanation, I will ask unanimous consent for its immediate consideration.

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

Mr. NORBECK. I yield.

Mr. REED. Just a word of explanation. The Comptroller General yesterday ruled that the leave given the West Point graduates, which they get only once in a lifetime, is annual leave within the meaning of the economy bill. They are scattered all over the world. Those of them who expect duty in distant posts have left the United States on their way and others have gone to their homes.

Mr. GLASS. A parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. GLASS. Who has the floor? I did not yield to the Senator from Pennsylvania.

The VICE PRESIDENT. The Senator from South Dakota presented a privileged report, and, after the joint resolution of the Senator from Virginia was read by title, the Senator from South Dakota had a right to call up the report, and the Senator from South Dakota has the floor. The motion of the Senator from Virginia is pending.

Mr. REED. Mr. President, I beg the pardon of the Senator from Virginia. I thought his motion to take up the resolution had been agreed to or I would not have presented the report.

Mr. NORRIS. No; the Constitution has not been amended yet.

Mr. REED. Then, Mr. President, I ask for action on this West Point graduate joint resolution.

The VICE PRESIDENT. Is there objection?

Mr. McKELLAR. Is it a long resolution?

Mr. REED. No; it is not.

Mr. McKELLAR. Let it be read, so that we will know what it means.

The Chief Clerk read the joint resolution, as follows:

Resolved, etc., That nothing contained in Part II of the legislative appropriation act, approved June 30, 1932, shall be construed to prevent the graduates of the United States Military Academy in the class of 1932 from completing their graduation leaves with pay during the fiscal year 1933. This resolution shall be effective from and including July 1, 1932.

Mr. McKELLAR. Mr. President, I am not going to object to this, but I merely want to call the attention of the Senate and of the country to the fact that this is the first fruit of the beautiful furlough plan that was forced upon the Senate by the President of the United States.

The VICE PRESIDENT. Is there objection to the consideration of the joint resolution?

There being no objection, the Senate proceeded to consider the joint resolution, which was ordered to be engrossed for a third reading, read the third time, and passed.

HOME-LOAN BANKS—CONFERENCE REPORT

The Senate resumed the consideration of the conference report on H. R. 12280.

Mr. HATFIELD. Mr. President, will the Senator from South Dakota yield to me?

Mr. NORBECK. I yield to the Senator from West Virginia.

Mr. HATFIELD. Mr. President, I ask——

Mr. ROBINSON of Arkansas. Mr. President, I shall object to any other unanimous consent until these important conference reports have been presented and dealt with.

Mr. NORBECK. Very well.

Mr. ROBINSON of Arkansas. I shall not make any further statement at this time, but I insist that the Senator proceed with his conference report.

The PRESIDING OFFICER (Mr. PATTERSON in the chair). The question is on agreeing to the conference report.

Mr. BORAH. Mr. President, may I ask the Senator from South Dakota whether I am correct in assuming that the only matter in controversy is the amendment with reference to currency expansion?

Mr. NORBECK. That is correct. We reached an agreement on everything except amendments 46 and 47. Amendment No. 46 is the currency expansion amendment, and amendment No. 47 is simply an amendment providing for a renumbering of the section.

Mr. BORAH. Is the Senator asking for the adoption of the report?

Mr. NORBECK. I am asking for the adoption of the report, but insisting on Senate amendments Nos. 46 and 47.

Mr. BORAH. That is the course which I should like to have pursued; that is to say, that the Senate continue to insist upon its amendments.

Mr. NORBECK. That is correct.

Mr. BORAH. It should be borne in mind that this currency amendment passed the Senate by a vote of 53 to 18, I think it was, and I feel that the Senate conferees ought to insist upon the amendment. Unless there is opposition to that course, I do not desire to continue the discussion.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

Mr. WATSON. Mr. President, I do not intend to enter upon any discussion of the merits of the so-called Borah amendment, a bill previously introduced by the Senator from Virginia, having reference to the inflation of the currency. What I do want to present to the Senate is the present parliamentary situation, so as to show to Senators just how we stand on the question of the home loan bank bill at the present time.

We adopted the Borah amendment in the Senate, and it went to the House. The House refused to accede to it. They asked for a conference, and we had a conference. There were five conferees on the part of the House and three on the part of the Senate, and after three hours of discussion we reported a disagreement, the House Members being insistent on striking out the Borah amendment and the Senate conferees insisting on retaining it.

We had another conference this morning, with the same result. The Senator from Idaho came up and talked to the conferees, and we were very glad to have him. We did not then enter into a discussion in detail of the merits of the proposition, because the question presented did not deal so much with the amendment as such, and its righteousness or its evil character, its good or its bad features, but turned upon the parliamentary situation.

This is exactly the way it stands. The House will not accept the board amendment. Why do I say that? On yesterday the question was brought before the House squarely on the proposition to amend the Borah amendment by attaching to it the so-called Goldsborough bill. The Goldsborough bill previously had passed the House by a vote

of about 289, as I remember it, to 35 or 40; and when we had our first conference on the subject, the House conferees insisted, by a vote of 3 to 2, on attaching the Goldsborough amendment to the Borah amendment, putting the two together, and that is the way they presented the matter to the House. We voted 2 to 1 the other way, and that made the disagreement, and on that disagreement they went to the House. Therefore, the first question was as to whether or not the Goldsborough amendment to the Borah amendment should be adopted, and after considerable discussion, as can be seen by consulting the RECORD, that was voted down.

The next question was as to whether or not they should concur in or recede from the Borah amendment, and that was voted down without any considerable number of persons voting for the Borah amendment.

Mr. NORRIS. Was there a roll call?

Mr. WATSON. No.

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

Mr. WATSON. I yield.

Mr. GLASS. How does the Senator arrive at the conclusion that no considerable number voted one way or the other, if there was no yea and nay vote taken?

Mr. WATSON. I only know from what the conferees on the part of the House told me.

Mr. GLASS. I submit that it was impossible for the conferees themselves to know.

Mr. WATSON. I will not discuss a question of that kind. With 5 conferees, 3 Democrats and 2 Republicans, sitting in the House, when the question came on the motion to concur, and there were only a few voices, they would know all about it. If there had been a considerable number, they could have demanded a roll call, but it takes one-fifth of the membership of the House to get a roll call, and they were well aware of the fact that on that proposition they could not get one-fifth of the Members to demand a roll call.

Mr. GLASS. Why were they particularly interested in getting a roll call? The bill went back to conference by consent. It was assumed in the House, I infer, that the conferees would act in a fair and impartial way.

Mr. WATSON. Not at all.

Mr. GLASS. I know they did not at all, but it was assumed on the part of the House that they would.

Mr. WATSON. The situation is this. We came again to conference this morning. The five conferees on the part of the House insisted that they would not accept the Borah amendment. The three conferees on the part of the Senate insisted, because a vote had been taken here and we had adopted it by roll call, and we said that we would insist on it because we had been so mandated by the Senate. There is the condition in which we find ourselves so far as the home loan bank bill is concerned.

It is my opinion that the House will not under any circumstances accede to the Borah amendment. They will not concur in it, they will not agree to it, they will not adopt it, because all of the gentlemen are not only opposed to it but some of them are violently opposed to it. My fellow conferees will confirm me in saying that there was not the slightest disposition on the part of the conferees from the House to agree to it or to concur in it or to adopt it or to vote for it. Their disposition is to be against it from beginning to end.

I said then, "Let us try the sense of the Senate." That is how we happen to be here asking a vote in the Senate as to whether or not we shall recede from the Borah amendment. If we recede, there will be a home loan bill. If we do not recede, there will be no home loan bill. That is exactly the situation.

Mr. President, I am not going to discuss the merits of the Borah amendment. That is quite apart from the proposition now involved. But the Borah amendment, in my opinion, is dead, and, being dead, why attach it to the home loan bill and drag it down to death also? There is no way in which the Borah amendment can be adopted in the House, in my opinion. I imagine if I should take a poll of the Members of the House now in the rear of this Chamber I would find the consensus of opinion here, as there, that the Borah amendment can not be passed in the House.

Mr. BORAH. Mr. President——

The VICE PRESIDENT. Does the Senator from Indiana yield to the Senator from Idaho?

Mr. WATSON. Certainly.

Mr. BORAH. Let me say to the Senator that there is where he is mistaken. If there is a yea and nay vote there will be enough to count. I have been advised by Members of the House that there is very strong support for the amendment in the House.

Mr. WATSON. It has not manifested itself. The Senator said to me yesterday that he would like to have a vote squarely on it. I did not know a vote had been taken on it. I thought he was entitled to a vote squarely upon it.

Mr. BORAH. I do not consider that any vote has been taken on it. It was a viva voce vote under circumstances in which no one was paying any attention to the merits of the proposition.

Mr. GLASS. Mr. President——

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

Mr. WATSON. I yield.

Mr. GLASS. It is perfectly obvious to me that the matter was not decided on the merits of the Borah amendment at all, because in the discussion of the so-called Goldsborough amendment, which was adopted overwhelmingly at one time in the House by a vote of 4 to 1, it was contended that it had the same purposes as the Borah amendment. The position taken was not upon the merits involved in the Borah amendment, but in objecting to the fact that the Senate had turned down overwhelmingly the Goldsborough amendment, and that is all there is to it. If we are going to let another branch of Congress legislate for the Senate, all right; but, so far as I am concerned, I am getting mighty tired of it. We should participate in the enactment of legislation and not be perpetually dictated to by another branch of Congress.

Mr. WATSON. Mr. President, the Senator makes two statements, with neither of which I can concur—first, that the House did not know anything about what they were voting on when they voted, and, secondly, that they were impelled by motives of revenge or retaliation.

Mr. GLASS. I did not say they did not know what they were doing. I said they referred the matter back to conference, and I think it is fair to assume that they did that upon the conjecture that the conferees would act in a reasonable way about the matter. I do say that the matter was not determined in conference upon the merits of the Borah amendment. It was determined upon the attitude of certain leaders in the other branch of Congress, because we did reject their remarkable Goldsborough amendment.

Mr. WATSON. But the point about it is this: Of course, there was not much discussion about it, because they said, "There is no use to discuss the merits of it. We are opposed to it and the House is opposed to it and we can not accept it." Thus confronted, we said all we can expect to do is to stand by the Senate, because the Senate voted for it on a roll call. We asked for another conference, and we came to the other conference. The other conference resulted precisely as the first one. That is the condition which confronts us now. We tried every way in the world we could to induce the House conferees to go back to the House for a vote on it by roll call, and they declined to do that this very morning.

Mr. NORRIS. Mr. President——

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

Mr. WATSON. I yield.

Mr. NORRIS. As I understand the parliamentary situation, the Senator is talking about something that is not yet before the Senate.

Mr. WATSON. Oh, yes; we are here on a motion to recede.

Mr. NORRIS. It seems to me we ought to dispose of the conference report, which does not pass on the question in dispute. Why not agree to the conference report and then

the motion will be brought before us to give us an opportunity to vote again on the Borah amendment, either by receding or standing by it?

Mr. WATSON. The Senator's suggestion is a correct one, but I was assuming the motion has been made. I was in private consultation with other Senators here for a few moments and did not know the exact situation. The only point in disagreement is the one thing. We have agreed upon everything else. If the chairman of the conferees, who has charge of the measure, desires that the vote be taken on the conference report, I will yield for that purpose.

Mr. NORBECK. Yes; I wish we might take action on that part of it.

The VICE PRESIDENT. The question is on agreeing to the conference report.

The conference report was agreed to.

Mr. WATSON. Now I yield to the Senator from South Dakota to enter his motion to recede from the Borah amendment.

Mr. NORRIS. Either that or to insist upon it.

Mr. WATSON. Yes; I do not care which way he puts it.

Mr. NORBECK. Mr. President, I move that the Senate insist on its amendments numbered 46 and 47.

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

The VICE PRESIDENT. The question is on the motion of the Senator from South Dakota that the Senate further insist on its amendments numbered 46 and 47.

Mr. WATSON. Mr. President, here is the point about it. Those of us who want a home loan bank bill must vote to recede from the Borah amendment, in my judgment. I am just as confident as I am that I am standing here on the floor of the Senate at this moment that if the proposition goes back to the House it is lost.

Mr. COUZENS. Mr. President——

The VICE PRESIDENT. Does the Senator from Indiana yield to the Senator from Michigan?

Mr. WATSON. I yield.

Mr. COUZENS. Does the Senator know anything more germane to the home loan bank bill than an expansion of the currency?

Mr. WATSON. I am not arguing the merits of it.

Mr. COUZENS. I thought the Senator was. He was trying to get the Senate to abandon its very mild inflationary attitude.

Mr. WATSON. I am not arguing the merits of it. I made that statement the first thing when I took the floor. I am arguing the parliamentary situation. I am discussing the open-and-shut condition that confronts us.

Mr. NORRIS. Mr. President——

The VICE PRESIDENT. Does the Senator from Indiana yield to the Senator from Nebraska.

Mr. WATSON. I yield.

Mr. NORRIS. I think I realize the Senator's position, but with due respect to him I think he is mistaken.

Mr. WATSON. I may be, of course.

Mr. NORRIS. It is true, is it not, that the House has never yet had a roll call vote on the Borah amendment?

Mr. WATSON. They have not.

Mr. NORRIS. Until they do, it seems to me we ought not to think of receding.

Mr. WATSON. But if their conferees come to us twice or three times and assert unanimously over and over again, regardless of partisan division among the conferees, that they are not for it and do not intend to be for it, that the House is not for it and does not intend to be for it, why, then, should we insist on presenting it to them again?

Mr. NORRIS. I suppose the Senator said, too, that, "We are backed up by the Senate. The Senate is on record and there is no use going back to the Senate; we have had a roll call vote on it, and the House has not. It is up to the House to have one before we ought to be asked to recede."

Mr. WATSON. But they would not take it back, and then the bill will die.

Mr. NORRIS. When we pass on the motion of the Senator from South Dakota, and if it is agreed to, it will go back to the House and there will be a direct vote on it. If we agree to the motion of the Senator from South Dakota, then the matter will go back to the House and it will be up to them then to say—not the conferees, but the House itself—whether they are willing to go to conference again on it.

Mr. WATSON. I have just one feeling about it, and that is that to agree to the motion made by my friend the Senator from South Dakota means the death of the home loan bill. I am indoctrinated with that idea.

Mr. BORAH. That is evident.

Mr. WATSON. Not only that but I get it from the House conferees. I do not get it from Senators, but I get it from Members of the House who are not conferees, as well as from those who are conferees on the part of the House. If they refuse, the bill is dead so far as that is concerned. I believe the Borah amendment is dead beyond resurrection. I am talking about the House. If it is dead over there, it is dead here, and it is dead everywhere. It can not be passed. The home loan bill may be passed without it, but the home loan bill can not be passed if we attach the Borah amendment to it and insist upon it.

Mr. GLASS. Mr. President——

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

Mr. WATSON. I yield.

Mr. GLASS. That is altogether a matter of opinion on the part of the Senator from Indiana. No one in the House knows whether it is dead or not, because they have never taken a vote on it over there. So far as my judgment goes, it is the only wise thing about this abominable home loan bank bill which we are now considering.

Mr. WATSON. Of course, the Senator from Virginia voted against the home loan bill and is anxious to see it killed.

Mr. GLASS. Oh, no; I am not; but I would like to have something about it that is desirable.

Mr. WATSON. The Senator from Idaho has been its consistent friend, and that is why I have labored in a private way to persuade him that I think he is making a mistake by insisting on his amendment to the bill. I think he is making a further mistake in doing the thing that I believe will result in the death of the measure. That is my candid, confident opinion.

Mr. BORAH. Mr. President, it does not necessarily follow, as I understand the situation, that if we vote to send the bill back to conference it will kill the home loan bill. We may later in the day act upon the matter as we see fit and recede. I feel that we are entitled to a vote in the House upon the amendment. I regard it as an exceedingly important matter. The Senate having adopted it by a vote of 53 to 18 on a record vote, it seems to me we are not doing our full duty if we recede before the House has really expressed itself on the question. The Senator from Indiana has been opposed to the proposition from the beginning.

Mr. WATSON. Does the Senator mean the Borah amendment?

Mr. BORAH. Yes.

Mr. WATSON. Yes; I was opposed to that.

Mr. BORAH. That is what I thought.

Mr. WATSON. I was opposed to it until I accepted it. I mean that as a fundamental proposition of financing, banking, and currency I was opposed to it, but later on, I will say to my friend——

Mr. BORAH. Without any reflection upon the Senator, the Senate can see what a powerful advocate we had in the conference committee with reference to the amendment. [Laughter.]

Mr. WATSON. Did I not vote with the other conferees?

Mr. BORAH. Yes; but the Senator has made a very powerful argument against his vote.

Mr. WATSON. I did not make any argument about it. We insisted upon standing for the action of the Senate, and we did so stand, the three conferees on the part of the Senate against the five on the part of the House. What objection does the Senator have to my attitude in the conference?

Mr. BORAH. I have no objection to the Senator's attitude in the conference, but I wish very much that the Senator had had greater zeal in the conference.

Mr. WATSON. But I voted, and a man's zeal is finally settled by the vote he casts.

Mr. BORAH. Not necessarily.

Mr. FESS. Mr. President, will the Senator yield to me to make a parliamentary inquiry?

Mr. BORAH. I yield.

Mr. FESS. A parliamentary inquiry, Mr. President.

The VICE PRESIDENT. The Senator will state it.

Mr. FESS. In case the bill goes back to conference, and the House refuses to take a vote, will the way then be open for us to recede without the papers being sent back to us pursuant to action of the conferees? If that is possible, there may be a way out.

The VICE PRESIDENT. The papers would have to come back to the Senate either by report of disagreement or the House refusing to agree to a further conference. They would then be back in the hands of the Senate.

Mr. FESS. It would depend altogether on the action of the House?

The VICE PRESIDENT. It would.

Mr. BORAH. On the action of the House in what respect?

The VICE PRESIDENT. If the House refuses to agree to a conference or to act upon it further and notified the Senate to that effect then, of course, the Senate could act.

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

Mr. BORAH. I yield.

Mr. NORRIS. Suppose the Senate adopts the motion offered by the Senator from South Dakota, and the bill goes to the House and the House declines to send it to conference; the House will notify us of that action officially, and it would be in order then to move to recede if we wanted to.

The VICE PRESIDENT. That is what the Chair stated.

Mr. NORRIS. On the other hand, suppose it goes to conference, it has either got to go or not to go; and suppose the House agrees to a further conference, then it is in the hands of the conferees, and if they do not agree they will so report.

I should like to state, if the Senator from Idaho will permit me, right now that I dislike to have Senators continually intimating in the discussion that if the House will not agree to it we will recede afterwards. So far as I am concerned, I am not in favor of receding. I think the most important feature of this bill is the Borah amendment. If we can not get an agreement to have that stay in, in some form, then let the bill go, so far as I am concerned; let it die.

Mr. BORAH. Mr. President, just a word. I am willing a vote should be taken, so far as I am concerned. I have been assured by several Members of the House that if a yea-and-nay vote shall be taken there is a very strong probability that this amendment will be accepted. Under those circumstances, and regarding this amendment as being so important as I do, I am not willing that we recede at this time. We would not be doing, in any sense, our duty to this piece of legislation as we expressed our duty a few days ago by a vote of 53 to 18.

Mr. LEWIS. Mr. President, may I ask the Senator from Idaho if that which is called the Borah amendment is not in reality the so-called Glass bill?

Mr. BORAH. The Senator is quite right, and it should be called the Glass amendment.

Mr. LEWIS. I alluded to that to indicate that we were not unacquainted with the measure.

Mr. BORAH. I offered the amendment, but it was the measure which had been proposed by the Senator from Virginia. I offered it with his consent and approval. The amendment had practically the unanimous support of the Committee on Banking and Currency and has in every way been approved overwhelmingly by the Senate of the United States. Now let us have a square vote upon this question by the two bodies.

The VICE PRESIDENT. The question is on the motion of the Senator from South Dakota that the Senate further insist on amendments numbered 46 and 47 and ask for a further conference with the House of Representatives on the disagreeing votes of the two Houses.

Mr. McKELLAR and Mr. NORBECK asked for the yeas and nays.

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

Mr. LA FOLLETTE (when Mr. BLAINE's name was called). I desire to announce the unavoidable absence of my colleague. He has a general pair with the junior Senator from Kansas [Mr. McGILL].

Mr. BULKLEY (when his name was called). I have a general pair with the junior Senator from Wyoming [Mr. CAREY], who is absent. I transfer that pair to the junior Senator from Massachusetts [Mr. COOLIDGE] and will vote. I vote "yea."

Mr. FESS (when his name was called). I have a general pair with the senior Senator from New York [Mr. COPELAND]. I do not know how he would vote and, therefore, am not permitted to vote. If I could vote, I should vote "nay."

Mr. JONES (when his name was called). I have a general pair with the senior Senator from Virginia [Mr. SWANSON]. I am informed that if present he would vote as I expect to vote. Therefore I feel at liberty to vote and vote "yea."

Mr. KING (when his name was called). I have a general pair with the junior Senator from New Mexico [Mr. CUTTING]. I transfer that pair to the senior Senator from Wyoming [Mr. KENDRICK], and will vote. I vote "yea."

Mr. SHORTRIDGE (when his name was called). I have a general pair with the senior Senator from Montana [Mr. WALSH]. I do not know how he would vote if present, and therefore I must withhold my vote. If permitted to vote, I should vote "nay."

Mr. STEIWER (when his name was called). In the absence of my pair, the senior Senator from New Mexico [Mr. BRATTON], concerning whom I have already made announcement, I must withhold my vote. If I were permitted to vote, I should vote "yea."

Mr. THOMAS of Idaho (when his name was called). I have a general pair with the junior Senator from Montana [Mr. WHEELER]. I am informed that if present he would vote as I intend to vote. I therefore am permitted to vote and vote "yea."

Mr. WATSON (when his name was called). I transfer my general pair with the senior Senator from South Carolina [Mr. SMITH] to the Senator from Colorado [Mr. WATERMAN], and will vote. I vote "nay."

The roll call was concluded.

Mr. DALE. Respecting my pair with the junior Senator from Alabama [Mr. BANKHEAD], I withhold my vote.

Mr. DAVIS. I have a general pair with the junior Senator from Kentucky [Mr. LOGAN]. Not knowing how he would vote, I withhold my vote.

Mr. FESS. I wish to announce the following general pairs: The Senator from Nevada [Mr. ODDIE] with the Senator from Arkansas [Mrs. CARAWAY];

The Senator from Maine [Mr. WHITE] with the Senator from Tennessee [Mr. HULL];

The Senator from Illinois [Mr. GLENN] with the Senator from Washington [Mr. DILL];

The Senator from Oregon [Mr. McNARY] with the Senator from Missouri [Mr. HAWES]; and

The Senator from Nebraska [Mr. HOWELL] with the Senator from Massachusetts [Mr. WALSH].

The result was announced—yeas 44, nays 20, as follows:

YEAS—44

Ashurst	Connally	Jones	Robinson, Ind.
Bailey	Costigan	King	Schall
Barkley	Couzens	La Follette	Sheppard
Black	Fletcher	Lewis	Shipstead
Borah	Frazier	McKellar	Stephens
Brookhart	George	Neely	Thomas, Idaho
Bulkley	Glass	Norbeck	Thomas, Okla.
Bulow	Gore	Norris	Trammell
Byrnes	Harrison	Nye	Tydings
Capper	Hatfield	Pittman	Vandenberg
Cohen	Hayden	Robinson, Ark.	Wagner

NAYS—20

Austin	Hale	Keyes	Reed
Barbour	Hastings	Metcalf	Smoot
Bingham	Hebert	Morrison	Townsend
Dickinson	Johnson	Moses	Walcott
Goldsborough	Kean	Patterson	Watson

NOT VOTING—32

Bankhead	Cutting	Hull	Smith
Blaine	Dale	Kendrick	Steiwer
Bratton	Davis	Logan	Swanson
Broussard	Dill	Long	Walsh, Mass.
Caraway	Fess	McGill	Walsh, Mont.
Carey	Glenn	McNary	Waterman
Coolidge	Hawes	Oddie	Wheeler
Copeland	Howell	Shortridge	White

So Mr. NORBECK's motion was agreed to.

Mr. WATSON. Mr. President, I merely wish to call the attention of the Senate to the fact that inasmuch as it requires unanimous consent to bring this matter before the House to-day and that two Members of the House have already told me that they would object to bringing it up, the home loan bill is dead, unless the Congress shall remain in session longer.

Mr. BORAH. Mr. President, if there are two Members of the House who are unwilling to have this question voted on and come here upon the floor and lobby against a piece of legislation not within their power, so far as I am concerned I put the responsibility upon them for killing both the home loan bill and the amendment.

Mr. WATSON. Mr. President, I am not going to argue with my friend from Idaho about that; but these gentlemen informed me that was the situation in the House and that they wanted me to know it so that I could state it on the floor.

Mr. BORAH. There was no necessity of stating it on the floor.

Mr. WATSON. I do not know why not.

Mr. BORAH. Their communication ought not to have the slightest effect upon our proceedings here, and, besides, we do not have to go home to-day; there is another day after to-day.

Mr. WATSON. I am glad the Senator has found that out, because a number of Members of the Senate do not seem to know it. They think this is the last day, and that if we do not get away to-day we are lost.

Mr. NORRIS. They may have gained that impression from what the Senator from Indiana said.

Mr. WATSON. I say that because the question can come up in the House to-day only by unanimous consent, and, unless unanimous consent can be obtained, the home loan bill is as dead as the bones of Lazarus unless the Congress shall continue in session until Monday.

Mr. FLETCHER. Mr. President, let me say in that connection that two of the House conferees have assured us that they could get unanimous consent.

MESSAGE FROM THE PRESIDENT—APPROVAL OF BILLS

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, who also announced that the President had approved and signed the following acts:

On July 14, 1932:

S. 3400. An act to amend an act of Congress approved June 18, 1898, entitled "An act to regulate plumbing and gas fitting in the District of Columbia"; and

S. 3792. An act to amend sections 5 and 6 of the act of June 30, 1906, entitled "An act to prohibit the killing of wild birds and wild animals in the District of Columbia," and thereby to establish a game and bird sanctuary of the Potomac River and its tributaries in the said District.

On July 15, 1932:

S. 1155. An act to establish a board of indeterminate sentence and parole for the District of Columbia and to determine its functions, and for other purposes;

S. 2958. An act to amend the charter of the Firemen's Insurance Co. of Washington and Georgetown, in the District of Columbia; and

S. 4741. An act to extend the times for commencing and completing the construction of a bridge across the Ohio River at or near Wellsburg, W. Va.

On July 16, 1932:

S. 3276. An act to amend the act entitled "An act to promote the production of sulphur upon the public domain within the State of Louisiana," approved April 17, 1926.

PROHIBITION—REPEAL OF THE EIGHTEENTH AMENDMENT

The VICE PRESIDENT. The Chair lays before the Senate Senate Joint Resolution 202, introduced by the Senator from Virginia [Mr. GLASS], which will be read.

The Chief Clerk read as follows:

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled (two-thirds of each House concurring therein), That the following is proposed as an amendment to the Constitution of the United States, which shall be valid to all intents and purposes as part of the Constitution when ratified by conventions in three-fourths of the several States:

"ARTICLE —

"SECTION 1. Article XVIII of the amendments to this Constitution is hereby repealed. The sale of intoxicating liquors within the United States or any territory subject to the jurisdiction thereof for consumption at the place of sale (commonly known as a saloon), and the transportation of intoxicating liquors into any State, Territory, District or possession of the United States in which the manufacture, sale, and transportation of intoxicating liquors are prohibited by law, are hereby prohibited. The Congress and the several States, Territories, and possessions shall have concurrent power to enforce this article by appropriate legislation.

"SEC. 2. This article shall be inoperative unless it shall have been ratified as an amendment to the Constitution by conventions in the several States, as provided in the Constitution, within seven years from the date of the submission hereof to the States by the Congress."

EMERGENCY UNEMPLOYMENT RELIEF—CONFERENCE REPORT

Mr. GLASS obtained the floor.

Mr. NORBECK. Mr. President——

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

Mr. GLASS. I yield to the Senator from South Dakota.

Mr. NORBECK. I present a conference report and ask for its immediate consideration. It is the conference report on H. R. 9642, the relief bill.

The VICE PRESIDENT. The report will be read.

The Chief Clerk read the report, as follows:

The committee of conference on the disagreeing votes of the two Houses on the bill (H. R. 9642) to authorize supplemental appropriations for emergency highway construction, with a view to increasing employment, having met, after full and free conference have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate numbered 2, and agree to the same.

Amendment numbered 1: That the Senate recede from its disagreement to the amendment of the House to the amendment of the Senate numbered 1, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the House amendment insert the following: "That this act may be cited as the 'Emergency relief and construction act of 1932.'

"TITLE I—RELIEF OF DESTITUTION

"SECTION 1. (a) The Reconstruction Finance Corporation is authorized and empowered to make available out of the funds of the corporation the sum of $300,000,000, under the terms and conditions hereinafter set forth, to the several States and Territories, to be used in furnishing relief and work relief to needy and distressed people and in relieving the hardship resulting from unemployment, but not more than 15 per cent of such sum shall be available to any one State or Territory. Such sum of $300,000,000 shall, until the expiration of two years after the date of enactment of this act, be available for payment to the governors of the several States and Territories for the purposes of this section, upon application therefor by them in accordance with subsection (c), and upon approval of such applications by the corporation.

"(b) All amounts paid under this section shall bear interest at the rate of 3 per cent per annum, and, except in the case of Puerto Rico and the Territory of Alaska, shall be reimbursed to the corporation, with interest thereon at the rate of 3 per cent per annum, by making annual deductions, beginning with the fiscal year 1935, from regular apportionments made from future Federal authorizations in aid of the States and Territories for the construction of highways and rural post roads, of an amount equal to one-fifth of the share which such State or Territory 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 amounts so paid to the governor of such State or Territory pursuant to this section and all accrued interest thereon to the date of such deduction, whichever is the lesser, until the sum of such deductions equals the total amounts paid under this section and all accrued interest thereon. Whenever any such deduction is made, the Secretary of the Treasury shall immediately pay to the corporation an amount equal to the amount so deducted. If any State or Territory shall, within two years after the date of enactment of this act, enter into an agreement with the corporation for the repayment to the corporation of the amounts paid under this section to the governor of such State or Territory, with interest thereon as herein provided, in such installments and upon such terms as may be agreed upon, then the deduction under this subsection shall not be made unless such State or Territory shall be in default in the performance of the terms of such agreement. In the case of a default by the State or Territory in any such agreement, the agreement shall thereupon be terminated and reimbursement of the unpaid balance of the amount covered by such agreement shall be made by making annual deductions in the manner above provided (beginning with the fiscal year next following such default) from regular apportionments made to such State or Territory from future Federal authorizations in aid of the States and Territories for the construction of highways and rural post roads. Before any amount is paid under this section to the Governor of Puerto Rico or of the Territory of Alaska, Puerto Rico or the Territory of Alaska shall enter into an agreement with the corporation for the repayment of such amount with interest thereon as herein provided, in such installments and upon such terms and conditions as may be agreed upon.

"(c) The governor of any State or Territory may from time to time make application for funds under this section, and in each application so made shall certify the necessity for such funds and that the resources of the State or Territory, including moneys then available and which can be made available by the State or Territory, its political subdivisions, and private contributions, are inadequate to meet its relief needs. All amounts paid to the governor of a State or Territory under this section shall be administered by the governor, or under his direction, and upon his responsibility. The governor shall file with the corporation and with the auditor of the State or Territory (or, if there is no auditor, then with the official exercising comparable authority) a statement of the disbursements made by him under this section.

"(d) Nothing in this section shall be construed to authorize the corporation to deny an otherwise acceptable application under this section because of constitutional or other legal inhibitions or because the State or Territory has borrowed to the full extent authorized by law. Whenever an application under this section is approved by the corporation in whole or in part, the amount approved shall be immediately paid to the governor of the State or Territory upon delivery by him to the corporation of a receipt therefor stating that the payment is accepted subject to the terms of this section.

"(e) Any portion of the amount approved by the corporation for payment to the governor of a State or Territory shall, at his request, and with the approval of the corporation, be paid to any municipality or political subdivision of such State or Territory if (1) the governor makes as to such municipality or political subdivision a like certificate as provided in subsection (c) as to the State or Territory, and (2) such municipality or political subdivision enters into an agreement with the corporation for the repayment to the corporation of the amount so paid, with interest at the rate of 3 per cent per annum, at such times, and upon such other terms and conditions, as may be agreed upon between the corporation and such municipality or political subdivision. The amount paid to any municipality or political subdivision under this subsection shall not be included in any amounts reimbursable to the corporation under subsection (b) of this section.

"(f) As used in this section the term 'Territory' means Alaska, Hawaii, and Puerto Rico.

"TITLE II—LOANS BY RECONSTRUCTION FINANCE CORPORATION

"SEC. 201. (a) The Reconstruction Finance Corporation is authorized and empowered—

"(1) To make loans to, or contracts with, States, municipalities, and political subdivisions of States, public agencies of States, of municipalities, and of political subdivisions of States, public corporations, boards and commissions, and public municipal instrumentalities of one or more States, to aid in financing projects authorized under Federal, State, or municipal law which are self-liquidating in character, such loans or contracts to be made through the purchase of their securities, or otherwise, and for such purpose the Reconstruction Finance Corporation is authorized to bid for such securities: *Provided*, That nothing herein contained shall be construed to prohibit the Reconstruction Finance Corporation, in carrying out the provisions of this paragraph, from purchasing securities having a maturity of more than 10 years;

"(2) to make loans to corporations formed wholly for the purpose of providing housing for families of low income, or for reconstruction of slum areas, which are regulated by State or municipal law as to rents, charges, capital structure, rate of return, and areas and methods of operation, to aid in financing projects undertaken by such corporations which are self-liquidating in character;

"(3) to make loans to private corporations to aid in carrying out the construction, replacement, or improvement of bridges, tunnels, docks, viaducts, water works, canals, and markets, devoted to public use and which are self-liquidating in character;

"(4) to make loans to private limited dividend corporations to aid in financing projects for the protection and development of forests and other renewable natural resources, which are regulated by a State or political subdivision of a State and are self-liquidating in character; and

"(5) to make loans to aid in financing the construction of any publicly owned bridge to be used for railroad, railway, and highway uses, the construction cost of which will be returned in part by means of tolls, fees, rents, or other charges, and the remainder by means of taxes imposed pursuant to State law enacted before the date of enactment of the emergency relief and construction act of 1932; and the Reconstruction Finance Corporation is further authorized and empowered to purchase bonds of any State, municipality, or other public body or agency issued for the purpose of financing the construction of any such bridge irrespective of the dates of maturity of such bonds.

"For the purposes of this subsection a project shall be deemed to be self-liquidating if such project will 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, or by such other means (other than by taxation) as may be prescribed by the statutes which provide for the project. All loans and contracts made by the Reconstruction Finance Corporation in respect of projects of the character specified in paragraphs (1) to (5) of this subsection shall be subject to the conditions that no convict labor shall be directly employed on any such project, and that (except in executive, administrative, and supervisory positions), so far as practicable, no individual directly employed on any such project shall be permitted to work more than 30 hours in any one week, and that in the employment of labor in connection

with any such project preference shall be given, where they are qualified, to ex-service men with dependents.

"The provisions of this subsection shall apply with respect to projects in Puerto Rico and the Territories to the same extent as in the case of projects in the several States, and as used in this subsection the term 'States' includes Puerto Rico and the Territories.

"(b) 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 this section and under the Reconstruction Finance Corporation act, together with a statement showing the names of the borrowers to whom loans and advances were made, and the amount and rate of interest involved in each case.

"(c) In order that the surpluses of agricultural products may not have a depressing effect upon current prices of such products, the corporation is authorized and directed to make loans, in such amounts as may in its judgment be necessary, for the purpose of financing sales of such surpluses 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 corporation if, in its judgment, such sales will affect adversely the world markets for such products: *Provided, however,* That no such loan shall be made to finance the sale in the markets of foreign countries of cotton owned by the Federal Farm Board or the Cotton Stabilization Corporation.

"(d) The Reconstruction Finance Corporation is authorized and empowered to make loans to bona fide institutions, organized under the laws of any State or of the United States and having resources adequate for their undertakings, for the purpose of enabling them to finance the carrying and orderly marketing of agricultural commodities and livestock produced in the United States.

"(e) The Reconstruction Finance Corporation is further authorized to create in any of the 12 Federal land-bank districts where it may deem the same to be desirable a regional agricultural-credit corporation with a paid-up capital of not less than $3,000,000, to be subscribed for by the Reconstruction Finance Corporation and paid for out of the unexpended balance of the amounts allocated and made available to the Secretary of Agriculture under section 2 of the Reconstruction Finance Corporation act. Such corporations shall be managed by officers and agents to be appointed by the Reconstruction Finance Corporation under such rules and regulations as its board of directors may prescribe. Such corporations are hereby authorized and empowered to make loans or advances to farmers and stockmen, the proceeds of which are to be used for an agricultural purpose (including crop production), or for the raising, breeding, fattening, or marketing of livestock, to charge such rates of interest or discount thereon as in their judgment are fair and equitable, subject to the approval of the Reconstruction Finance Corporation, and to rediscount with the Reconstruction Finance Corporation and the various Federal reserve banks and Federal intermediate-credit banks any paper that they acquire which is eligible for such purpose. All expenses incurred in connection with the operation of such corporations shall be supervised and paid by the Reconstruction Finance Corporation under such rules and regulations as its board of directors may prescribe.

"(f) All loans made under this section, and all contracts of the character described in paragraph (1) of subsection (a), shall be fully and adequately secured. The corporation, under such conditions as it shall prescribe, may take over or provide for the administration and liquidation of any collateral accepted by it as security for such loans. Such loans shall be made on such terms and conditions, not inconsistent with this act, as the corporation may prescribe, and may be made directly upon promissory notes or by way of discount or rediscount of obligations tendered for the purpose, or otherwise in such form and in such amount and at such interest or discount rates as the corporation may approve: *Provided,* That no loans or advances (except loans under subsection (c)) shall be made upon foreign securities or foreign acceptances as collateral.

"(g) Each such loan may be made for a period not exceeding three years, and the corporation may, from time to time, extend the time of payment of any such loan, through renewal, substitution of new obligations, or otherwise, but the time for such payment shall not be extended beyond five years from the date upon which such loan was made originally: *Provided,* That loans or contracts of the character described in subsection (a) may be made for a period not exceeding 10 years: *Provided further,* That loans or contracts of the character described in paragraph (1) or (5) of subsection (a) may be made for a period exceeding 10 years when it is the judgment of the board of directors of the corporation that it is necessary to purchase securities as provided in such paragraphs and that it is not practicable to require the reimbursement of the corporation, within 10 years, through the repurchase or payment of such securities, or in any other manner.

"(h) The corporation may make loans under this section at any time prior to January 23, 1934.

"(i) No fee or commission shall be paid by any applicant for a loan under the provisions of this section in connection with any such application or any loan made or to be made under this section, and the agreement to pay or payment of any such fee or commission shall be unlawful.

"(j) No loan under this section shall be made to a railroad or to a receiver of a railroad except on the approval of the Interstate Commerce Commission. Any railroad may obligate itself in such form as shall be prescribed and otherwise comply with the requirements of the Interstate Commerce Commission and the corporation with respect to the deposit or assignment of security hereunder, without the authorization or approval of any authority, State or Federal, and without compliance with any requirement, State or Federal, as to notification, other than such as may be imposed by the Interstate Commerce Commission and the corporation under the provisions of this section.

"SEC. 202. The last sentence of the second paragraph of section 5 of the Reconstruction Finance Corporation act is amended by striking out '5' and inserting '2⅝' in lieu thereof.

"SEC. 203. The second sentence of the third paragraph of section 5 of the Reconstruction Finance Corporation act is hereby repealed.

"SEC. 204. Section 8 of the Reconstruction Finance Corporation act is amended to read as follows:

"'SEC. 8. In order to enable the corporation to carry out the provisions of this act and the emergency relief and construction act of 1932, the Treasury Department, the Federal Farm Loan Board, the Comptroller of the Currency, the Federal Reserve Board, the Federal reserve banks, and the Interstate Commerce Commission are hereby authorized, under such conditions as they may prescribe, to make available to the corporation, in confidence, such reports, records, or other information as they may have available relating to the condition of applicants with respect to whom the corporation has had or contemplates having transactions under either of such acts, or relating to individuals, associations, partnerships, corporations, or other obligors whose obligations are offered to or held by the corporation as security for loans under either of such acts, and to make, through their examiners or other employees for the confidential use of the corporation, examinations of applicants for loans. Every applicant for a loan under either of such acts shall, as a condition precedent thereto, consent to such examination as the corporation may require for the purposes of either of such acts and that reports of examinations by constituted authorities may be furnished by such authorities to the corporation upon request therefor.'

"SEC. 205. (a) The amount of notes, debentures, bonds, or other such obligations which the Reconstruction Finance Corporation is authorized and empowered under section 9 of the Reconstruction Finance Corporation act to have outstanding at any one time is increased to an aggregate of six and three-fifths times its subscribed capital stock.

"(b) The first proviso of section 2 of the Reconstruction Finance Corporation act is amended by inserting after 'as set out in section 9' the following: '(as in force prior to the enactment of the emergency relief and construction act of 1932),' but the Secretary of Agriculture is directed to continue making loans to farmers under the provisions of such section 2.

"SEC. 206. The Reconstruction Finance Corporation is authorized and empowered to make loans under the Reconstruction Finance Corporation act to financial institutions, corporations, railroads, and other classes of borrowers specified in section 5 of such act, organized under the laws of the District of Columbia, Alaska, Hawaii, and Puerto Rico. As used in this title and in section 15 of the Reconstruction Finance Corporation act the term 'State' includes the District of Columbia, Alaska, Hawaii, and Puerto Rico.

"SEC. 207. No loan or advance shall be approved under this section or under the Reconstruction Finance Corporation act, directly or indirectly, to any financial institution any officer or director of which is a member of the board of directors of the Reconstruction Finance Corporation or has been such a member within the 12 months preceding the approval of the loan or advance.

"SEC. 208. (a) The first sentence of section 3 of the Reconstruction Finance Corporation act is amended, effective at the expiration of 10 days after the date of enactment of this act, to read as follows: 'The management of the corporation shall be vested in a board of directors consisting of the Secretary of the Treasury (or, in his absence, the Under Secretary of the Treasury), who shall be a member ex officio, and six other persons appointed by the President of the United States by and with the advice and consent of the Senate.'

"(b) Nothing in this section shall be construed to affect in any manner the terms of office of the appointed members of the board of directors of the Reconstruction Finance Corporation, nor to require their reappointment.

"SEC. 209. Section 9 of the Reconstruction Finance Corporation act is hereby amended by adding at the end thereof the following:

"'The Secretary of the Treasury, at the request of the Reconstruction Finance Corporation, is authorized to market for the corporation its notes, debentures, bonds, and other such obligations, using therefor all the facilities of the Treasury Department now authorized by law for the marketing of obligations of the United States. The proceeds of the obligations of the corporation so marketed shall be deposited in the same manner as proceeds derived from the sale of obligations of the United States, and the amount thereof shall be credited to the corporation on the books of the Treasury.'

"SEC. 210. Section 13 of the Federal reserve act, as amended, is further amended by adding after the second paragraph thereof the following new paragraph:

"'In unusual and exigent circumstances, the Federal Reserve Board, by the affirmative vote of not less than five members, may authorize any Federal reserve bank, during such periods as the said board may determine, at rates established in accordance with the provisions of section 14, subdivision (d), of this act, to discount for any individual, partnership, or corporation, notes, drafts, and bills of exchange of the kinds and maturities made eligible for discount for member banks under other provisions of this act when such notes, drafts, and bills of exchange are indorsed and otherwise secured to the satisfaction of the Federal reserve bank: *Provided*, That before discounting any such note, draft, or bill of exchange for an individual or a partnership or corporation the Federal reserve bank shall obtain evidence that such individual, partnership, or corporation is unable to secure adequate credit accommodations from other banking institutions. All such discounts for individuals, partnerships, or corporations shall be subject to such limitations, restrictions, and regulations as the Federal Reserve Board may prescribe.'

"SEC. 211. The first paragraph of section 5 of the Reconstruction Finance Corporation act is hereby amended to read as follows:

"'SEC. 5. To aid in financing agriculture, commerce, and industry, including facilitating the exportation of agricultural and other products the corporation is authorized and empowered to make loans, upon such terms and conditions not inconsistent with this act as it may determine, to any bank, savings bank, trust company, building and loan association, insurance company, mortgage loan company, credit union, Federal land bank, joint-stock land bank, Federal intermediate-credit bank, agricultural-credit corporation, livestock-credit corporation, organized under the laws of any State or of the United States, including loans secured by the assets of any bank or savings bank that is closed, or in process of liquidation to aid in the reorganization or liquidation of such banks, upon application of the receiver or liquidating agent of such bank and any receiver of any national bank is hereby authorized to contract for such loans and to pledge any assets of the bank for securing the same: *Provided*, That not more than $200,000,000 shall be used for the relief of banks (including savings banks) that are closed or in the process of liquidation.'

TITLE III—PUBLIC WORKS

"SEC. 301. (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 out of any money in the Treasury not otherwise appropriated the sum of $322,224,000, 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 paragraph 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 paragraph 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 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 in the Federal highway act, as amended and supplemented, upon highway construction, reconstruction, and bridges within municipalities and upon payments per mile which may be made from Federal funds shall not apply. As used in this paragraph, the term 'State' includes the Territory of Hawaii. The term 'highway' as defined in the Federal highway act, approved November 9, 1921, as amended and supplemented, for the purposes of this paragraph only, shall be deemed to include such main State parkways as may be designated by the State and approved by the Secretary of Agriculture as part of the Federal-aid highway system.

"(2) For expenditure in emergency construction 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, etc., including the same objects specified in the paragraph commencing with the words 'Improvement of the national forests' under the

heading 'National Forest Administration' 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 areas to be established as national parks authorized under the act of May 22, 1926 (U. S. C., Supp. V, title 16, secs. 403 to 403c), and under the act of May 25, 1926 (U. S. C., Supp. V, title 16, secs. 404 to 404c), and national park and monument approach roads authorized by the act of January 31, 1931 (46 Stat. 1053), as amended, or any one section of such roads of not less than 8 miles, which crosses lands wholly or to the extent of 90 per cent owned by the Government of the United States, $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 roads, nontaxable Indian lands, or other Federal reservations other than the forest reservations, under the provisions of section 3 of the Federal highway act, as amended and supplemented (U. S. C., Supp. V, title 23, secs. 3 and 3a), $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, $500,000.

"(7) For constructing or purchasing and equipping lighthouse tenders and light vessels for the Lighthouse Service as may be specifically approved by the Secretary of Commerce, $950,000, and for establishing and improving aids to navigation and other works as may be specifically approved by the Secretary of Commerce, $2,860,000.

"(8) For the engineering work of the Coast and Geodetic Survey, Department of Commerce, heretofore authorized, $1,250,000.

"(9) For the construction of projects included in the report of the Federal Employment Stabilization Board, laid before the Senate January 25, 1932, which have heretofore been authorized or which do not require specific authorization, under the Bureau of Yards and Docks, Navy Department, $10,000,000, of which not to exceed $300,000 shall be available for the employment of classified personal services in the Bureau of Yards and Docks and in the field service to be engaged upon such work and to be in addition to employees otherwise provided for.

"(10) For emergency construction of public-building projects outside the District of Columbia (including the acquisition, where necessary, by purchase, condemnation or otherwise, of sites and additional land for such buildings, the demolition of old buildings where necessary, and the construction, remodeling, or extension of buildings), such projects to be selected by the Secretary of the Treasury and the Postmaster General from the public-building projects specified in House Document No. 788, Seventy-first Congress, third session, $100,000,000. Such projects shall be carried out within the limits of cost specified in such document (except as modified by law), 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.

"(11) For the construction and installation at military posts of such buildings and utilities and appurtenances thereto as may be necessary, $15,164,000, as follows:

"Albrook Field, Canal Zone: Quartermaster maintenance building, $20,000; post exchange, theater, and gymnasium, completion of, $42,000.

"Barksdale Field, La.: Noncommissioned officers' quarters, $252,000; officers' quarters, $609,000; barracks, $474,000; hospital, completion of, $225,000; garage, completion of, $30,000; quartermaster warehouse, completion of, $15,000.

"William Beaumont General Hospital, Tex.: Noncommissioned officers' quarters, $7,000; warehouse, $15,000.

"Fort Benning, Ga.: Barracks, $650,000.

"Fort Bliss, Tex.: Noncommissioned officers' quarters, $50,000; officers' quarters, $150,000.

"Bolling Field, D. C.: Noncommissioned officers' quarters, $54,000; dispensary, completion of, $30,000; post exchange, theater, and gymnasium, completion of, $45,000; officers' mess, $50,000; enlargement of central heating plant to provide for quarters area, $95,000.

"Fort Bragg, N. C.: Barracks, completion of, $40,000; noncommissioned officers' quarters, $160,000.

"Carlisle Barracks, Pa.: Heating plant, $200,000.

"Chanute Field, Ill.: Noncommissioned officers' quarters, $137,000; central heating plant for technical and quarters area, $200,000.

"Camp Devens, Mass.: Roads and sidewalks, $75,000; service club, $30,000; post exchange and gymnasium, $50,000.

"Fort Douglas, Utah: Noncommissioned officers' quarters, $15,000.

"Dryden, Tex.: Barracks, $20,000.

"Duncan Field, Tex.: Quartermaster warehouse, $40,000; quartermaster maintenance building, $20,000; garage, $40,000; fire and guard house, $25,000.

"Fort Du Pont, Del.: Noncommissioned officers' quarters, $60,000.

"Edgewood Arsenal, Md.: Noncommissioned officers' quarters, $70,000.

"Fitzsimons General Hospital, Colo.: Gymnasium, recreation, and social hall, $150,000.

"Hamilton Field, Calif.: Officers' quarters, $215,000; noncommissioned officers' quarters, $120,000.

"Fort Hamilton, N. Y.: Noncommissioned officers' quarters, $100,000.

"Fort Benjamin Harrison, Ind.: Noncommissioned officers' quarters, $120,000.

"Hensley Field, Tex.: Noncommissioned officers' quarters, $8,000; officers' quarters, $30,000; roads, utilities, and improvement of flying field, $25,000; replacement of pumping plant, $3,000; sewage-disposal plant, $3,000.

"Holabird Quartermaster Depot, Md.: Hospital, $120,000.

"Fort Sam Houston, Tex.: Noncommissioned officers' quarters, $150,000; officers' quarters, $350,000.

"Fort Howard, Md.: Hospital, $150,000.

"Fort Hoyle, Md.: Noncommissioned officers quarters, $70,000.

"Fort Humphreys, Va.: Officers' quarters, $150,000.

"Fort Huachuca, Ariz.: Post exchange, gymnasium, and service club, $100,000.

"Fort Jay, N. Y.: Noncommissioned officers' quarters, $130,000; barracks, completion of, $70,000; officers' quarters, $125,000; nurses' quarters, completion of, $35,000.

"Jefferson Barracks, Mo.: Noncommissioned officers' quarters, $65,000; additions to kitchens and mess halls, $55,000.

"Camp Knox, Ky.: Hospital, $200,000.

"Langley Field, Va.: Central heating plant for quarters area, $60,000; quartermaster maintenance building, $20,000; fire house, $20,000; barracks, medical detachment, $30,000; garage, completion of, $15,000; magazine, completion of, $10,000.

"Fort Lawton, Wash.: Noncommissioned officers' quarters, $30,000.

"Fort Leavenworth, Kans.: Nurses' quarters, $60,000.

"Letterman General Hospital, Calif.: Two wards, $150,000.

"Fort Lewis, Wash.: Barracks, completion of, $30,000; water main, $30,000; noncommissioned officers' quarters, $75,000; officers' quarters, $65,000.

"Fort Logan, Colo.: Noncommissioned officers' quarters, $53,000.

"Fort McClellan, Ala.: Headquarters, $50,000; recreation hall, $35,000; gymnasium, $45,000.

"Fort McPherson, Ga.: Nurses' quarters, $70,000; contagious ward for hospital, $70,000.

"Maxwell Field, Ala.: Officers' quarters, $940,000; officers' mess, $55,000.

"March Field, Calif.: Barracks for medical detachment, $25,000; contagious ward for hospital, $12,000; bakery, $15,000; laundry, $60,000; enlisted men's service club, $50,000; officers' mess, $50,000; theater, $40,000.

"Fort Mason, Calif.: Officers' quarters, $110,000.

"Fort Meade, S. Dak.: Riding hall, $25,000.

"Fort George G. Meade, Md.: Noncommissioned officers' quarters, $150,000; officers' quarters, $50,000.

"Mitchel Field, N. Y.: Noncommissioned officers' quarters, $118,000; bakery, $15,000; incinerator, $10,000; enlisted men's service club, $50,000; theater, $40,000; sewage-disposal plant, $40,000; fence, $31,000; quartermaster gasoline storage, $3,000; magazine, $15,000; officers' mess, $50,000; coal storage and handling system, $70,000; roads, walks, and surface-drainage system, $86,000.

"Fort Monmouth, N. J.: Addition to hospital, $75,000; noncommissioned officers' quarters, $170,000; band barracks, $35,000.

"Fort Myer, Va.: Barracks, $100,000.

"Fort Oglethorpe, Ga.: Noncommissioned officers' quarters, $120,000.

"Fort Ontario, N. Y.: Noncommissioned officers' quarters, $50,000.

"Plattsburg Barracks, N. Y.: Additions to barracks, $25,000; barracks, $255,000.

"Pope Field, N. C., for the Air Corps troops: Barracks, $140,000; noncommissioned officers' quarters, $84,000; officers' quarters, $140,000.

"Post Field, Okla., for Air Corps Troops: Barracks, $140,000; noncommissioned officers' quarters, $84,000; officers' quarters, $140,000.

"Presidio of San Francisco, Calif.: Noncommissioned officers' quarters, $60,000; addition to headquarters, $50,000.

"Randolph Field, Tex.: Barracks, completion of, $56,000; gymnasium, completion of, $70,000; roads and utilities, $243,000; completion of chapel and school, $50,000.

"Raritan Arsenal, N. J.: Noncommissioned officers' quarters, $75,000.

"Walter Reed General Hospital, D. C.: Noncommissioned officers' quarters, $120,000; addition to nurses' quarters, $300,000.

"Rock Island Arsenal, Ill.: Noncommissioned officers' quarters, $15,000.

"Rockwell Field, Calif.: Noncommissioned officers' quarters, $234,000; officers' quarters, $266,000.

"Fort Winfield Scott, Calif.: Noncommissioned officers' quarters, $140,000.

"Selfridge Field, Mich.: Gymnasium and theater, $80,000; garage, $40,000; quartermaster maintenance building, $20,000; post exchange, $45,000; officers' mess, $60,000; enilsted men's service club, $50,000; bakery, $15,000; roads and utilities, $75,000.

"Fort Sill, Okla.: Barracks, $875,000; noncommissioned officers' quarters, $72,000; officers' quarters, $75,000; gun sheds, $48,000; stables, $30,000; vehicle sheds, $10,000.

"Fort Snelling, Minn.: Quartermaster warehouse, $65,000; barracks, medical detachment, $40,000.

"Fort Totten, N. Y.: Noncommissioned officers' quarters, $30,000.

"Fort Wadsworth, N. Y.: Officers' quarters, $75,000.

"Fort Francis E. Warren, Wyo.: Noncommissioned officers' quarters, $120,000.

"West Point, N. Y.: For addition to hospital, $250,000; barracks for service detachment, $250,000.

"Fort George Wright, Wash.: Noncommissioned officers' quarters, $60,000.

"(b) No part of the sum appropriated by this section, except the amount for expenditure under paragraph (1) or (2) of subsection (a), shall be expended if the Secretary of the Treasury certifies to the President that the amount necessary for such expenditure is not available and can not be obtained upon reasonable terms.

"SEC. 302. There is hereby authorized to be appropriated not to exceed $7,436,000, to be expended for the construction and installation at military posts, and at airports and landing fields, of such technical buildings and utilities and appurtenances thereto as may be necessary, as follows:

"Albrook Field, Canal Zone: Technical buildings and installations, completion of, $293,000; gasoline-storage system, completion of, $25,000.

"Barksdale Field, La.: Hangars, $350,000; headquarters and operations buildings, completion of, $89,200; gasoline-storage system, completion of, $20,000; paved aprons, $100,000.

"Fort Benning, Ga.: Hangar, combination, $88,000; gasoline-storage system, $10,000; improvement of landing field and building area, $25,000; heating plant, $20,000; paved aprons, $20,000.

"Benton Field, Alameda, Calif.: Completion of shops, including assembly and test hangars, dope storage, heating and engine test block, $605,500; depot warehouse, $500,000; administration building, $80,000; railroad spur, $8,000; quartermaster warehouse, maintenance and salvage building, $35,000; garage, $48,000; fire and guard house, $30,000; pier, $125,000; paint, oil, and dope storage and oil reclamation, $35,000; gasoline-storage system, $20,000; paved aprons, $80,000.

"Fort Bliss, Tex.: Operations building, $10,000.

"Bolling Field, D. C.: Paved aprons, completion of, $22,800; heating plant for technical area, completion of, $78,000; field shops, completion of, $6,000; improvement of landing field and building area, $615,000.

"Chanute Field, Ill.: Hangars, $170,000; paved aprons, $30,000; improvement of landing field and technical area, $15,000; enlargement of central heating plant and steam lines, $185,000.

"Dryden, Tex.: Paved aprons and hangar floor, $15,000.

"Duncan Field, Tex.: Depot administration building, $60,000; gasoline-storage system, completion of, $15,000.

"Hatbox Field, Muskogee, Okla.: Roofing and sidewalls for hangar, and paved aprons, $15,000.

"Hamilton Field, Calif.: Headquarters and operations building, to complete, $35,000; improvement of landing field and building area, $120,000.

"Langley Field, Va.: Remodeling two hangars into shops, and for ceilings in and additions to hangars, $91,000; gasoline-storage system, completion of, $21,000; bomb storage, $19,000; improvement of landing field and building area, $25,000; machine-gun range, $6,000.

"Luke Field, Hawaiian Department: Air depot, plane overhaul and assembly, $200,000.

"March Field, Calif.: Gasoline-storage system, completion of, $10,000; aircraft-bomb storage, $5,000.

"Maxwell Field, Ala.: Squadron officers' school and/or additions to school building, $150,000; gasoline-storage system, $10,200; improvement of landing field, $100,000; camera obscura, $4,000; bomb storage, $13,000; machine-gun and bombing range, $6,000.

"Mitchel Field, N. Y.: Improvement of landing field, $80,000; gasoline-storage system, completion of, $5,000; bomb storage, $13,000; machine-gun range, $2,000.

"Panama Canal Zone: Improvement of emergency landing fields at Bamboa Reach and Camp Gaillard, $20,000.

"Patterson Field, Ohio: Hangars, headquarters and operations, and heating plant, completion of, $251,300; improvement of landing field and building area, $5,000; gasoline-storage system, completion of, $10,000.

"Pope Field, N. C.: Hangar—balloon-dismantle, transfer, and reerection of, $110,000; paved aprons, $15,000; paint, oil, and dope storage, $5,000.

"Post Field, Okla.: Hangar—balloon-dismantle, transfer, and reerection of, $110,000; paved aprons, $15,000.

"Randolph Field, Tex.: Engine-test stands and building, $40,000; oil storage, $15,000; gasoline-storage system, completion of, $10,000; aerial target range, $20,000.

"Rockwell Field, Calif.: Hangars, $576,000; Air Corps warehouse, $80,000; operations building, $20,000; remodeling a permanent building for radio, parachute, and armament building, $20,000; administration building, $80,000; photographic building, $36,000; paint, oil, and dope storage, $15,000; gasoline-storage system, $30,000; paved aprons, $95,000; central heating plants, $100,000; improvement of landing field and technical building area, $100,000; camera obscura, $5,000; bomb storage, $15,000.

"Schoen Field, Ind.: Grading landing field, $5,000.

"Scott Field, Ill.: Hangar, $90,000; headquarters and operations buildings, $80,000; barracks, $271,000; radio building, $10,000; photo building, $36,000; gas plant and chemical storage, $50,000; central heating plants, $145,000; gasoline-storage system, $10,000; paved aprons, $40,000; improvement of landing field and building area, $50,000; machine-gun butts, $3,000.

"Selfridge Field, Mich.: Gasoline-storage system, completion of, $10,000.

"Wheeler Field, Hawaiian Department: Gasoline-storage system, completion of, $31,000; paved aprons, $38,000.

"SEC. 303. No money shall be available for expenditure under this title in connection with a project in the District of Columbia, except as provided in section 301 (a) (11) or 302.

"SEC. 304. 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 centum 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 herewith.'

"SEC. 305. After the date of the enactment of this act, in the acquisition of any land or site for the purposes of section 301 (a) (10);

"(1) The period of solicitation of proposals by public advertisement shall be 10 days in lieu of 20 days;

"(2) In any case in which such site or land is to be acquired by condemnation the provisions of section 355 of the Revised Statutes, as amended, shall not apply; and

"(3) Notwithstanding the provisions of section 1 of the act entitled 'An act to expedite the construction of public buildings and works outside of the District of Columbia by enabling possession and title of sites to be taken in advance of final judgment in proceedings for the acquisition thereof under the power of eminent domain,' approved February 26, 1931 (U. S. C., Supp. V, title 40, sec. 258a), in any case in which any land or any interest therein is to be acquired by condemnation, the Secretary of the Treasury, through the Attorney General, may, prior to the institution of condemnation proceedings, file with the clerk of the district court of the district in which such land is located a declaration of taking, containing the matters required by such section to be included in a declaration of taking. The declaration of taking shall be accompanied by the deposit with such clerk, to the use of the parties who may be found to be entitled thereto, of the amount of the estimated compensation stated in the declaration. As soon as practicable after the filing of such declaration of taking, the Secretary of the Treasury shall cause to be posted in a prominent place upon the land a notice reciting (A) that the land or the interest therein is taken by the United States for public use, (B) that a declaration of taking in respect of such land or interest therein has been filed with the clerk of the court of the district, and (C) that there has been deposited with such clerk, to the use of the parties who may be found to be entitled thereto, the estimated just compensation for the land or interest therein taken. The Secretary of the Treasury shall give written notice similar to the posted notice by personal service in the case of actual occupants of the premises or, if with reasonable diligence such personal service can not be made, he shall send such notice by registered mail directed to the premises, and he shall send notice by registered mail directed to their last-known address in the case of all parties who the Secretary ascertains have or may have an interest in such land, and he may give such additional notice by newspaper publication or otherwise as he deems necessary. Upon posting notice on the land, title to the land or interest therein shall vest in the United States, and the right to just compensation therefor shall vest in the parties entitled thereto. The Secretary of the Treasury shall cause notice to be personally served upon, or if with reasonable diligence such service can not be made, to be sent by registered mail to actual occupants of the premises, setting a time (not earlier than twenty days after the service or sending of such notice) at which such parties shall surrender possession, and at the end of such time the right to possession shall vest in the United States. The Secretary of the Treasury may designate any person to serve any notice under the preceding provisions of this subsection and such person shall have power to enter upon such land for the purpose of posting notice or to make personal service of notice. If any such party fails or refuses so to surrender possession, upon summary petition for an order to surrender possession filed in such district court by or on behalf of the Secretary of the Treasury, the court may, by writ of assistance or other process, order the surrender of possession. A petition in condemnation shall be filed in such district court as soon after the filing of the declaration of taking as practicable.

"In any such condemnation proceeding, no further declaration of taking shall be required, and the provisions of section 1 of such act of February 26, 1931, authorizing the court to fix the time when parties in possession shall be required to surrender possession, shall not apply. If such petition for condemnation is not filed within a reasonable time after the filing of such declaration of taking, any person entitled to just compensation in respect of the property so taken shall be entitled to sue the United States in the court in which such declaration of taking was filed. The procedure in such suit shall be the same as in suits against the United States founded upon contract, except that such suit may be heard even if the amount of the claim is greater than $10,000, and except that the procedure for the ascertainment of the amount of just compensation shall be the same as such procedure in condemnation proceedings. If the petition for condemnation is filed prior to the time the commissioners in condemnation, jurors, or other persons charged with the duty of valuing the property are empaneled, such suit shall be dismissed, except that such suit and the condemnation proceedings may, in the discretion of the court, and under rules prescribed by it, be consolidated to such extent as the court may deem practicable. In any suit authorized to be brought under this subsection or in any condemnation proceedings involving land acquired in accordance with this subsection, the court shall enter judgment against the United States in favor of the parties entitled for the sum or sums awarded as just compensation, respectively, for the land or interest therein taken for the use of the United States, and such judgment shall be paid out of the sums deposited with the court and such additional sums as may be awarded shall be paid in the same manner as sums awarded in judgments in cases in which the United States has consented to be sued. The provisions of such act of February 26, 1931, except as modified by this subsection, shall apply to all such suits or condemnation proceedings. The provisions of this subsection shall not be construed to

be in substitution for, but shall be supplemental to, any method of acquiring land or interests therein provided in existing law.

"SEC. 306. In the construction of post offices and of buildings for post offices and other offices provided for in section 301 (a) (10), the Secretary of the Treasury, with the cooperation of the Postmaster General, may use such standard plans (heretofore or hereafter prepared) as may be most adaptable to the particular building to be constructed.

"SEC. 307. All contracts let for construction projects pursuant to this title shall be subject to the conditions that no convict labor shall be directly employed on any such project, and that (except in executive, administrative, and supervisory positions), so far as practicable, no individual directly employed on any such project shall be permitted to work more than 30 hours in any one week, and that in the employment of labor in connection with any such project, preference shall be given, where they are qualified, to ex-service men with dependents.

"SEC. 308. For each fiscal year, beginning with the fiscal year 1934, there is authorized to be appropriated, for the purposes of the sinking fund provided in section 6 of the Victory Liberty loan act, as amended, in addition to amounts otherwise appropriated, an amount equal to 2½ per cent of the aggregate amount of the expenditures made, out of appropriations made or authorized in this title, on or after the date of the enactment of this act and on or before the last day of the fiscal year for which the appropriation is made."

And the House agree to the same.

PETER NORBECK,
SMITH W. BROOKHART,
CARTER GLASS,
ROBERT F. WAGNER,
Managers on the part of the Senate.

J. W. COLLIER,
HENRY T. RAINEY,
R. L. DOUGHTON,
Managers on the part of the House.

The VICE PRESIDENT. The question is on agreeing to the conference report.

Mr. NORBECK. I move that the Senate agree to the report.

I will state that the Senate conferees yielded on everything. I have been in numerous conferences lately with the House, and we have always yielded. We did so in this case. We did not merely yield; we surrendered.

The question at issue, of course, was the question whether the borrowing banks should have their names published. The Senate, by decisive vote, had decided that they should not be made public. The House had the opposite view; but they were so determined in regard to the matter that we saw no hope of agreement, and we yielded.

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

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

Mr. NORBECK. I do.

Mr. BINGHAM. Is it true that the conferees communicated with the Reconstruction Finance Corporation and asked their opinion of the effect of this particular provision?

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

The VICE PRESIDENT. The Senator from South Dakota has the floor. Does the Senator from South Dakota yield to the Senator from Maryland?

Mr. NORBECK. In a moment. Answering the Senator from Connecticut, I will state that they expressed a great deal of apprehension over the effect of it. They felt that it would destroy the confidence they were trying to inspire and the help they were trying to render. If these things should become common gossip in town whenever a bank was in need of money and borrowed some, they felt that it would lead to the withdrawal of deposits. I am simply giving their view of the matter; but they felt very keenly that it was a mistake. We saw no way out of it, however, and we yielded; and I am hoping that the situation will not be as serious as they feared it would be.

Mr. GOLDSBOROUGH. Mr. President, I should like to say that as a member of the conference committee on the part of the Senate I refused to sign the conference report because I believed this particular item on publicity to be against the public interest, and one that might bring about irreparable damage.

I should like to have read from the desk the letter of the Reconstruction Finance Corporation which shows that they unanimously oppose the publicity item.

The VICE PRESIDENT. Is there objection? The Chair hears none, and the letter will be read.

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

Mr. GOLDSBOROUGH. With pleasure.

Mr. CONNALLY. How came this letter to be written?

Mr. GOLDSBOROUGH. I can not answer that.

Mr. CONNALLY. Did the Senate go down and ask the Reconstruction Finance Corporation, one of the creatures of the Senate, to tell the Senate what it should do with reference to legislation?

Mr. NORBECK. Mr. President, I think I can answer the Senator.

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

Mr. GOLDSBOROUGH. I do.

Mr. NORBECK. The letter was written to the President of the United States before our conference.

Mr. GLASS. Mr. President——

The VICE PRESIDENT. Does the Senator from Maryland yield, and to whom?

Mr. GOLDSBOROUGH. I yield to the Senator from Virginia.

Mr. GLASS. I think it fair also to state that the Senate conferees did not initiate any movement with respect to this matter. We were invited to the White House to consider certain grave and important considerations connected with the bill. We did not seek the Reconstruction Finance Corporation. They sought us.

Mr. GOLDSBOROUGH. I think that is quite true.

Mr. KING. Did you seek the President?

Mr. GLASS. We did not seek anybody.

While I am on my feet may I ask a suggestive question of the Senator from Maryland; to wit, Is the Senator quite sure that it is the wise thing to present this letter here for publication in the RECORD?

Mr. GOLDSBOROUGH. My judgment is, sir, that it would be extremely illuminating and helpful.

Mr. REED. Mr. President, if the Senator will yield, it was read in the House of Representatives yesterday by Congressman TREADWAY.

Mr. GLASS. I just wanted to be sure that it was desirable to do it. I do not think it is; but if it is already in the RECORD, all right.

Mr. GOLDSBOROUGH. I repeat my request that the letter be read from the desk.

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

The legislative clerk read as follows:

RECONSTRUCTION FINANCE CORPORATION,
Washington, July 14, 1932.

The attention of the board of directors of the Reconstruction Finance Corporation has been called to a provision inserted yesterday by the House of Representatives in the so-called relief bill providing for the monthly publication of a report covering all of the activities of the Reconstruction Finance Corporation, "together with a statement showing the names of the borrowers to whom loans and advances were made, and the amount involved in each case."

This would mean that all loans made or to be made by this corporation to banks, insurance companies, mortgage-loan companies, building and loan associations, and other financial institutions would become public property.

In the opinion of the board, this provision, if enacted into law, would undo much that has been accomplished by this corporation in preserving the credit structure of the Nation and in a large measure restrict its usefulness in the future. The publication of

the loans made by this corporation to the financial and fiduciary institutions above enumerated, whose relations with the public are of a particularly sensitive character, would, in the board's judgment, be decidedly harmful, more especially if the fact that these institutions are borrowing from this corporation and the amount of the loans is published, as it would be, without adequate explanation of their circumstances or resources or the conditions under which the advances were made.

One of the fundamental purposes of the Reconstruction Finance Corporation is to strengthen our credit structure and to prevent bank closings under the extremely difficult conditions resulting from this great depression. No one can contend that the publication of the names of the 3,600 banks that have borrowed from this corporation will tend to strengthen their position. In the absence of a complete explanation of all of the circumstances, which this corporation clearly could not give in the reports contemplated, it is self-evident that such a procedure, far from strengthening these institutions, would weaken them and thus destroy the very purpose for which the corporation was created.

And what is true of the banks is in large measure true of the other institutions.

Such a provision was considered by both Houses at the time the Reconstruction Finance Corporation act was enacted and rejected by both of them for the reasons above mentioned.

The reason advanced in favor of such a proposal is that this kind of publicity is necessary in order to subject to constant scrutiny the actions of the corporation.

But such an objective can equally well be attained through a select committee of the Senate or House, to whom the books of the corporation would be opened at all times, as has already been provided by the Senate. The Senate committee has asked for the very information provided for in the section above mentioned. The information is being compiled and will be furnished to that committee at an early date. Thus the public interests are fully safeguarded.

In the unanimous opinion of the board, therefore, not only is there no necessity for the paragraph inserted in the House bill, but such a provision is against the public interest and may result in irreparable damage.

By direction of the board of directors.

Respectfully,

G. R. COOKSEY, *Secretary*.

Mr. HATFIELD. Mr. President, I should like to inquire of the Senator from South Dakota what became of the amendment which was adopted to the bill requiring the purchases of equipment and supplies from the funds made available in the bill to be made of products produced by American labor.

Mr. NORBECK. I think I am within the facts when I say it is not in the conference report; but I will ask the author of the bill to answer that question. He is more familiar with it than I am.

Mr. WAGNER. Mr. President, the matter was submitted to the conferees both by myself and by the Senator from Maryland [Mr. GOLDSBOROUGH]. We were advised by the parliamentarian of the body that it would constitute new legislation, and therefore was not within the jurisdiction of the conferees to act upon, and that if included in the report the report would be subject to a point of order.

Mr. HATFIELD. Mr. President, I send to the desk and ask unanimous consent to have read a message bearing upon this subject. If there is objection, of course, I will read it myself.

Mr. WAGNER. Will the Senator yield just a moment before he does that? I desire to ask the Senator from Maryland a question regarding the communication to which we have just listened.

Mr. HATFIELD. I yield to the Senator.

Mr. WAGNER. I just want to make this observation: It is manifest from the reading of the letter that the board went on the assumption that the so-called publicity provision of the bill requires the publication of all loans made to banks from the beginning of the life of the corporation, whereas, as a matter of fact, the provision of the bill requires no such thing. The provision is not retroactive, but applies only to loans which are to be made in the future by the Reconstruction Finance Corporation.

Mr. GOLDSBOROUGH and Mr. REED addressed the Chair.

Mr. WAGNER. It is very obvious that what the letter complains of is the publication of the names of the 3,600 banks that have already borrowed from the Reconstruction Finance Corporation.

Mr. GOLDSBOROUGH. Mr. President, all of us do not interpret the section as does the Senator from New York. In my modest judgment it covers old loans and new loans, past loans, present loans, and future loans. That is my interpretation.

Mr. WAGNER. It would be necessary to put a most strained construction upon it to hold that this provision has to do with past loans.

Mr. GOLDSBOROUGH. It may be so.

Mr. REED. Mr. President, will the Senator from West Virginia yield to me to ask a question?

Mr. HATFIELD. I yield to the Senator.

Mr. REED. If I may ask either the Senator from Maryland or the Senator from New York, is it not a fact that the conferees of the House refused to insert the word "future" before the word "activities" in the section calling for these reports?

Mr. GOLDSBOROUGH. That is my understanding.

Mr. REED. I will ask the Senator from New York if that is not so.

Mr. WAGNER. The refusal was based upon the ground that the provision as it is is perfectly clear and intelligible, and, therefore, they refused to add further words to it. I submit to the lawyers of this body, however, that nobody, except upon a very strained and unreasonable construction, could interpret this provision to apply to anything except future loans.

Mr. REED. Why should we leave room for even a strained and unreasonable construction? There are such lawyers who have to do with construing statutes.

Mr. WAGNER. We can very clearly state here what our intent is, and that will govern the Reconstruction Finance Corporation in interpreting the provision, unless their interpretation should be contrary to the wording of the provision.

Now let me tell the Senator——

Mr. REED. Before the Senator tells me, let me ask him a question. How can it assist in the construction of a statute to have one conferee, the Senator from New York, asserting that only one construction is possible, while another conferee, the Senator from Maryland, says that the opposite construction is to be resorted to?

Mr. WAGNER. One need only review the history of the inclusion of this provision in the so-called relief bill.

The bill as it passed the Senate provided that the Reconstruction Finance Corporation must make a report monthly of all loans made, together with the names of the borrowers and the interest charged. Upon the floor of the House, by amendment, there was inserted the language, "and also loans made under the Reconstruction Finance Corporation." No one will contend that before that amendment was adopted the bill provided for anything except that loans made in the future were required to be reported; and when the House added "loans not only made under this act but under the original Reconstruction Finance Corporation act," the provision of bill requires only those loans to be reported that are made from the time the bill becomes a law, and any other construction would, in my judgment, be entirely unwarranted.

Mr. REED. Mr. President, the Senator says we should look to the history of the act to determine its construction. I agree with him. But when we look to its history we find one of the conferees asserting that it has a retroactive effect, and we find in the record of the debates of the Senate at least the admission that the word "future" was attempted to be put in, and that that motion was resisted by the conferees of the other House.

Mr. WAGNER. There was no contention made by the conferees of the House that this so-called publicity provision was retroactive. Those whose duty it will be to construe this provision are confined to the language used, and not to conjecture; and when so confined, the members of the board of the Reconstruction Finance Corporation can not reasonably reach any other conclusion except that it applies to reporting of future loans.

Mr. MOSES. Mr. President, the Senator from West Virginia continues to have the floor. Will he yield to me?

Mr. HATFIELD. I yield.

Mr. MOSES. It has become the fashion in the Senate at this session, Mr. President, to disclose everything that takes place in the conference room, a novel practice, to my mind not always helpful, but in this particular instance it may be very helpful. Therefore I would ask the Senator from New York, one of the conferees on this bill, and pursuing, as the Senator from Pennsylvania did, the history of the legislation, if there was not great discussion about the language and its effect, and if the author of the language himself did not maintain that it did not apply to old loans, but only to loans which were made after the passage of the act; in other words, was there not a literary discussion?

Mr. WAGNER. That has been my construction right along, and, in addition to that, we asked the advice of our bill-drafting experts and they gave it as their opinion that this publicity provision can apply only to the reporting of future loans.

Mr. MOSES. That is exactly what I am trying to bring out, that the people who wrote the language, and the people whose parliamentary opinion is sought in matters of this sort, maintain, exactly as the Senator from New York does, that the provision is not retroactive, and that, in connection with that, some of the advocates of a retroactive interpretation showed some pique or indignation in the discussion; I do not mean in the conference room, but generally, as the thing went on?

Mr. WAGNER. No; I do not think there was any misunderstanding——

Mr. MOSES. I am not speaking of the conference room.

Mr. WAGNER. As to what the provision meant. But, in addition to that, we conferees asked the opinion of those who had to do with drafting the language, and they gave it as their opinion that provision applies only to the reporting of future loans.

Mr. MOSES. That is exactly what I was trying to bring out, because I understood that was an element in the history of the legislation.

Mr. JOHNSON. Mr. President——

The PRESIDING OFFICER (Mr. FESS in the chair). Does the Senator from West Virginia yield to the Senator from California?

Mr. HATFIELD. I yield.

Mr. JOHNSON. Will the Senator from New York follow me for just a moment as to the provision of this bill, so that we may get into the RECORD and before the Senate exactly the question that is under discussion now? Then, if we are not qualified to determine whether this provision is retroactive, or whether it is not, as was said by a distinguished statesman in Parliament the other day in regard to the construction of a celebrated document, we need medical attention.

We begin with the commencement of the act:

> That this act may be cited as the "Emergency relief and construction act of 1932."

Very well. Now I turn first to Title I, "Relief of destitution." That is its title.

Then we turn to the subdivision designated "(b)" in the copy I have. I find other copies dissimilar, but in the one before me is on page 12, line 15, subdivision (b), and the language is as follows—that is, the emergency relief bill of 1932 provides thus:

> (b) The Reconstruction Finance Corporation shall submit monthly to the President and to the Senate and the House of Representatives—

Leaving out, now, the parentheses—

> a report of its activities and expenditures under this section together with a statement showing the names of the borrowers to whom loans and advances were made and the amount and rate of interest involved in each case.

That is the provision in question, is it not?

Mr. WAGNER. Yes.

Mr. JOHNSON. All right. In the new relief bill of 1932, which we passed, where we provide that there shall be a monthly statement by the Reconstruction Finance Corporation, it seems to me that it argues a mental strabismus on the part of any man in this body to insist that that is a retroactive provision as to loans that were made long ago, and when the gentleman who signs the particular message that is read here to-day, and read in the House, Mr. Cooksey, the secretary of the Reconstruction Finance Corporation, speaks of disclosing the bank loans, 600 in number, which have heretofore been made, he has conjured up merely something from his imagination which this bill does not in the slightest degree justify.

I am not arguing the merits of a particular provision of this sort. I am simply endeavoring to present to the body that the provision in question is not retroactive at all and relates only to transactions in the future.

Mr. GLASS. Mr. President, will the Senator from West Virginia yield?

Mr. HATFIELD. I will yield to the Senator from New York, if he cares to say anything further.

Mr. WAGNER. I thank the Senator.

Mr. HATFIELD. I yield to the Senator from Virginia.

Mr. GLASS. To complete the history of this phrase, and, I think, to make its meaning conclusive as well as clear, I venture to state that the conferees on the part of the House desired to make it retroactive, but their draftsman misunderstood his instructions and failed to make it retroactive, and accordingly was gently reproached for that omission. The reason why these conferees declined to permit the word "future" to go in was the fact that they had wanted it to be retroactive, and their draftsman had failed to give them a phrase which could be properly so interpreted, and in a spirit of pique they simply declined to make it so plain that a wayfaring man could understand it.

It is my judgment as a layman—and I am decidedly not a lawyer—that it clearly is not retroactive and that no court would construe it to be retroactive.

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

Mr. HATFIELD. I yield.

Mr. SMOOT. I would like to ask the Senator from New York a question. There have been some 3,600 loans made up to date. Many of those loans will have to be repaid or renewed within from three months to six months from now. Before the year is out, all of them will have to be paid or renewed. Would they be construed as loans made after the passage of the act, and would publication have to be made of such loans?

Mr. GLASS. No publication is required at all.

Mr. SMOOT. Of what?

Mr. WAGNER. I might say that if a loan were regarded as a new loan, it would have to be reported in the future.

Mr. SMOOT. That is exactly what I was asking. So, in fact, all the loans which fall due within the next year, if they are renewed, must be made public.

Mr. GLASS. It does not say made public. They must be reported to the President of the United States, to the Senate, and to the House of Representatives. It is for the President, on the one hand, and the two legislative bodies, on the other, to determine whether they shall be published or not.

Mr. SMOOT. Of course, the whole theory is that the reporting of the loans to the House and to the Senate is so that they shall be made public. That is the object of the legislation, and it simply means that all of the loans, no matter how many are made, that fall due within the next year, must be made public.

Mr. WAGNER. Mr. President, this is my last observation. I think the conferees will agree with me that if there had been any contention before our conference that this particular provision was retroactive, the Senate conferees would never have yielded.

Mr. SMOOT. It does not say it is retroactive, I admit, but if a loan falls due, and is not paid, it must be renewed or paid from some other source.

Mr. WAGNER. It will depend upon the interpretation the Reconstruction Finance Corporation places upon a particular transaction as to whether it shall be regarded as a new loan. If it regards it as a new loan, it would be reported. If it is not, it would not be reported.

Mr. SMOOT. We know just how a bank examiner would construe it, and, in my opinion, the Reconstruction Finance Corporation will construe it in exactly the same way.

Mr. BROOKHART. Mr. President, will the Senator from West Virginia yield?

Mr. HATFIELD. I yield.

Mr. BROOKHART. Upon this question of the retroactive effect of this provision, there never was any question in the conference about its being generally retroactive, as the statement read at the desk claimed. The only question at all was that a monthly report should be made, and it might go back to the first of this month of July. This monthly report in July might include the whole month. That is the only question we considered at all. That is not of much importance in the situation, and does not cover many of the 3,300 or so loans that are mentioned. So the Senator from California has it absolutely right, except that it might be held, under this language, that all of the loans of July would have to be reported.

Mr. LA FOLLETTE. Mr. President, will the Senator from West Virginia yield to me?

Mr. HATFIELD. I yield.

Mr. LA FOLLETTE. I wish to direct the attention of Members of this body to this section for the purpose of emphasizing the fact that what this provision calls for is a monthly report. Obviously no such provision would have been inserted had those responsible for drafting the amendment desired to accomplish the purpose of securing a report concerning the activities of this corporation with regard to transactions made prior to the time the act was passed. Obviously a report as suggested by the Senator from Iowa, if it applied to any month at all, assuming that this bill becomes a law during this month, could apply only to the month of July. The provision is perfectly clear on that point. It reads:

> The Reconstruction Finance Corporation shall submit monthly to the President and to the Senate and the House of Representatives—

And so forth. So it seems to me that it is perfectly clear that it is impossible, even with a strained construction, to arrive at the conclusion that the provision calls for anything but a monthly report of the activities of the corporation after the enactment of the legislation.

Mr. THOMAS of Idaho. Mr. President, I am not so much concerned whether the provision is retroactive or not. The thing that concerns me is that we are asked to do something that is going to cause a general upset in banking conditions of the country. In justice to the Senate I might add, so that my position may be made perfectly clear, that prior to the time I came to the Senate I was engaged in the banking business in Idaho. I was president of three little country banks. Prior to the time I was appointed to the Senate I sold my interest in the banks. I occupied the position of president of those banks for a time afterwards, but for a number of months I had no interest whatever in the management of any bank and am not in an official way connected with any banking institution.

During the period of 1921–22 I assisted in the work of the rehabilitation of banks as a member of a committee of the War Finance Corporation, and I want to say to the Senate that the fact that we were able to take care of the situation without being hampered by publicity enabled us to save a number of very critical situations in our State. I am not unmindful at all of the interest of the public in this matter and of the interest of the public in the expenditures made. I think we are entitled to all the publicity we can have properly, but we have done an unusual thing when we created the Reconstruction Finance Corporation. We created a nonpolitical body of whose integrity no one disputes or questions. Further than that, in order to safeguard the interests of the public, we have appointed a committee of Senators for the purpose of checking the activities of the Reconstruction Finance Corporation. In no way does it seem that we have neglected the interests of the public. I am at a loss to know why it is that we should insist on publicity at this time.

Since the Reconstruction Finance Corporation was first organized, a number of instances have occurred which I might mention—and I might mention the cities, too, but I shall refrain from doing so—which have been taken care of through emergency loans. In one instance there was a loan of $2,000,000 made to a banking institution which was returned within 10 days, and which enabled its officers to save the banking situation in that entire section of the country. There were a number of instances of that kind in the past and there are a number existing to-day. What would have been the result if the people trying to save that situation had known that there had to be publicity attached to it? We could not have taken care of the emergency situation, because they would not have touched it for fear it might create a lack of confidence in the institution on the part of the public.

We are debating as to whether we should make this provision retroactive or not. If we pass this emergency relief measure in the shape in which it is now before us, giving publicity to bank loans, we will materially restrain the activities of the corporation, and I am afraid we will make it impossible for them to take care of an emergency situation. But we simply say to the Reconstruction Finance Corporation, "You are not going to be permitted to take care of any emergency situation." If the Reconstruction Finance Corporation was organized for any purpose, it was to handle just that kind of a situation.

I see no objection to giving full publicity to the loans to self-liquidating corporations and many other organizations of that kind; but at this time, when in many places in the country the banks are in a most critical condition, to say to the Reconstruction Finance Corporation, "You are going to be hampered and you are not going to be permitted to make this kind of loans to try to handle an emergency without the fullest publicity," it seems to me is making a very serious mistake. I hope the conference report will be sent back to the House for another vote.

Mr. LEWIS. Mr. President——

The PRESIDING OFFICER. Does the Senator from West Virginia yield to the Senator from Illinois?

Mr. HATFIELD. I yield.

Mr. LEWIS. It is well known I have had much participation in the measure under discussion. Credit for its form and method should go to the able Senator from Nevada [Mr. PITTMAN] and the able Senator from New York [Mr. WAGNER]. But there is a thought on the subject before us I must urge upon the Senate for consideration: I am in receipt—as Senators all are—of telegrams from the banks of our homes expressing the idea or fear—as one eminent Senator has well expressed it—that we have "incorporated a provision in the bill that shall have for its object the disclosure, to serve the public curiosity and party politics," of all the transactions of business which have been conducted by this board and its individual applicants.

Mr. President, the board has been constructed by previous law. It has conducted its affairs. Along comes this measure, credit for which must at once be given to all political parties; this measure has for its purpose specific objects. The specific objects were set forth. The objects were somewhat eleemosynary, somewhat charitable, somewhat public, but in all instances for the help and relief of the needy of America. The provision respecting the report had and has for its office the mere showing to the President and to the Senate and to the House of Representatives that the objects of the law had been carried out, and by manifesting these loans in detail that it will be seen they disclose that the particular theory of the measure was complied with in respect to these particular loans and conditions upon which they were supposed to rest. That is all there is to the provision of report.

I thank the Senator from West Virginia for allowing my interruption.

Mr. WALCOTT. Mr. President——

The PRESIDING OFFICER. Does the Senator from West Virginia yield to the Senator from Connecticut?

Mr. HATFIELD. I yield.

Mr. WALCOTT. I realize that it is of the utmost importance that the Congress adjourn. I realize that it is of equal importance that this very important liberal relief measure, sponsored by the Senator from New York [Mr. WAGNER] and his associates, be passed. But, Mr. President,

I would rather stay here all summer, if necessary, in order to correct this provision by striking it out than I would to let it go through and practically emasculate the lending power of the Reconstruction Finance Corporation to banks, particularly the small banks, particularly those banks which I call marginal banks, which are struggling along, perhaps warned by the Federal bank examiners or by the State bank examiners, fearful that they may be closed at any time, hanging on to this one hope; and we kill the one hope that is left to these banks, because no bank could safely apply for a loan with the knowledge of the publicity which would follow in a few days. Many of the banks which need assistance could not apply for a loan without starting a run by their depositors. The provision is so vicious that I have the temerity to say that it is aimed at innocent depositors and in my opinion it must be rejected. It seems to me the only way to do that is to vote down the conference report and send it back again. I agree with everything the Senator from Idaho [Mr. THOMAS] has said.

Mr. BROOKHART. Mr. President——

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

Mr. HATFIELD. Yes.

Mr. BROOKHART. On this proposition, it was brought out by Members of the House conferees that some of these banks, as quickly as they get their loans, publish the fact in the local papers and are proud of it. It is an asset to them. There is one Senator here in the Chamber who told me the same thing since the discussion began.

Mr. THOMAS of Idaho. Mr. President, in answer to the Senator from Iowa, let me say that it might depend altogether on the circumstances whether they would be proud of their condition or not. Certainly we would not be able to judge, and that should not be any reason for influencing our vote on this matter.

Mr. VANDENBERG. Mr. President——

The PRESIDING OFFICER. Does the Senator from West Virginia yield to the Senator from Michigan?

Mr. HATFIELD. I yield.

Mr. VANDENBERG. May I have the attention of the Senator from New York [Mr. WAGNER]? I want to ask for another interpretation which I think has a far-reaching effect upon the difficulties in which we find ourselves. Indeed, I think we may have been taking too much for granted. If I am correct, this jeopardy is not so imminent as some of us have feared and need not necessarily persist hereafter.

Assuming that the Congress adjourns and during the interim from now until December, under the terms of the section which we are now discussing, the corporation reports to the Secretary of the Senate and the Clerk of the House. I ask the Senator from New York whether in his understanding and interpretation of that language those reports are confidential in the hands of the officers of the Senate and the House until the Senate and the House have determined how they shall be handled?

Mr. WAGNER. As the Senator knows, I am not an authority upon those questions. When I had my conversation with the Senator, I assumed they would be held confidential until the Senate and the House might make some disposition of them. However, I am informed by those who know more about the rules of the Senate than I do that they would become subject to the inspection of anyone who desired to see them.

Perhaps the Chair can rule better upon that question. I am sure he can do it better than I can. If the reports are made while the Senate and House are not in session, are they subject to public inspection?

The PRESIDING OFFICER (Mr. JONES in the chair). The Parliamentarian advises the present occupant of the chair, who came to the chair just a moment ago, that in his judgment they would be open to inspection.

Mr. WAGNER. I think the Senate itself might make another disposition of the question.

Mr. VANDENBERG. I submitted the question to the Senator because in a previous conversation with the able Senator from Virginia [Mr. GLASS] he took the position—and, indeed, I think, stated on the floor—that the reports would be confidential in the hands of the ministerial officers of the House and Senate until the House and Senate had acted. If that were correct, it would substantially simplify the problem with which we are wrestling.

Mr. WAGNER. Of course, I would not set my views up against those of the Senator from Virginia on a matter of this kind.

Mr. GLASS. Mr. President, I still hold to that theory. I recall that less than a year ago the Clerk of the House of Representatives brought himself practically into contempt of court here in the District of Columbia because he refused, upon subpœna of the court, to present certain records of the House—the reports made under the corrupt practices act. He only did so finally under remonstrance and upon threat of the court to put him in jail if he should not do it.

Mr. BORAH. Mr. President——

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

Mr. HATFIELD. I yield.

Mr. BORAH. I understand these reports will come to the Secretary of the Senate and the Clerk of the House. They have never come before the Senate nor before the House. During the recess they simply come to an officer of the Senate and to an officer of the House. By what authority could an officer of the House or an officer of the Senate make a document public which had never been before the Senate and had never been before the House and upon which neither body had acted? It seems to me the Senator from Virginia has a correct construction of the situation; that the reports would not be made public or subject to inspection of the public, or should not be, until either the House or the Senate or both had designated that they should be. If this proposition is thoroughly understood, the evil anticipated will be obviated.

Mr. FLETCHER. Mr. President, the provision in the Reconstruction Finance Corporation act is that the corporation "shall make and publish a report quarterly." They are required to publish it, but in this provision the words "and publish" are omitted. Clearly it is entirely within the control of the Congress. I do not think it would follow that the information should be published, but we can control it if there is any question about it.

Mr. VANDENBERG. May I ask the Senator from Florida what would be his interpretation if the language simply stands as it is here? Would he think, after we have adjourned and the July report is filed with the Secretary of the Senate, that the Secretary is entitled to make it public immediately?

Mr. FLETCHER. I should not think so.

Mr. VANDENBERG. I think that is a very important matter, Mr. President, and bears very profoundly upon the degree of hazard that may be involved.

Mr. HATFIELD. Mr. President, I am going to yield to myself for a few moments, and then I will yield the floor.

Following up the interrogation propounded to the distiguished senior Senator from South Dakota, I wish to read into the RECORD a telegram received from Atlantic City, dated July 15, 1932, and addressed to me, as follows:

ATLANTIC CITY, N. J., *July 15, 1932.*

Hon. H. D. HATFIELD,
United States Senate, Washington, D. C.:

We are greatly disappointed to learn that House conferences refused to permit of the insertion in pending unemployment relief bill of section requiring that taxpayers' moneys be used for purchase of materials the products of American labor. We strongly urge that Senate insist on the insertion of such a requirement. The appropriation of American taxpayers' moneys presumably for the purpose of providing employment opportunity for American workers only to later learn, as we fear, that these moneys will be spent for materials the product of foreign workers, surely is not the type of legislation to be adopted by legislators seeking to help unemployed American workers. We appeal through you to those Senators and Congressmen sincerely interested in providing employment for American workers to insist on the insertion in relief bill of section which will protect employment opportunities of American workers as hereinbefore indicated.

MATTHEW WOLL, *President.*
M. J. FLYNN, *Executive Secretary,*
American Wage-Earners Protective Conference.

Mr. WAGNER. Mr. President——

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

Mr. HATFIELD. I yield.

Mr. WAGNER. I may say to the Senator, if I have not already made myself clear on that proposition, that the matter was taken up by the conferees. Certainly all the conferees of the Senate, and I think those of the House, were in sympathy with the suggestion; and if there were any parliamentary way of getting the provision in the bill, it would have been done; but we were advised by the parliamentary authorities that it would be new legislation. Therefore it was not within our power or jurisdiction to include the particular provision in this legislation. That was the only reason it was not included, because of our lack of power and authority. We were also informed that if it were inserted in the House, a point of order would be made; and under those circumstances, of course, it would destroy the work of the conferees.

Mr. HATFIELD. Let me inquire of the Senator whether it has not been the practice of Congress to place provisions of this kind for the protection of American labor and American industry in the appropriation bills?

Mr. WAGNER. Yes; and such a provision ought to be in this bill.

Mr. HATFIELD. The Senator agrees, then, that it should be in the bill?

Mr. WAGNER. Yes. And I now state to the Senator for the third time that the reason it was not put in the bill was because we did not have the power to put it in.

Mr. HATFIELD. The Senator from West Virginia is not convinced, and that is the reason the Senator from New York must tell the Senator from West Virginia a third time. I am willing, as a Senator, to go to any end, in some way or other, to insert in this relief bill this provision for the protection of American labor and American industry, regardless——

Mr. WAGNER. I will join the Senator in that regard.

Mr. DAVIS. Mr. President——

The PRESIDING OFFICER. Does the Senator from West Virginia yield to the Senator from Pennsylvania?

Mr. HATFIELD. I yield.

Mr. DAVIS. Would it not be worth our while to stay here another week in order to put such a provision in the bill?

Mr. HATFIELD. It would be worth a month of our time, I may reply to the distinguished Senator from Pennsylvania.

Mr. DAVIS. Such a provision in the bill would mean employment to thousands of American workmen, and I am willing to stay here all summer to secure its insertion.

Mr. HATFIELD. I thank the Senator.

Mr. BINGHAM and Mr. WAGNER addressed the Chair.

The PRESIDING OFFICER. Does the Senator from West Virginia yield; and if so, to whom?

Mr. HATFIELD. I yield first to the Senator from Connecticut, and then I will yield to the Senator from New York.

Mr. BINGHAM. Mr. President, may I suggest to the Senator that in case the conference report should be disagreed to because of the statements made by the distinguished bankers on this floor, who have had far more experience with financial institutions than have I, that this provision might largely defeat the object of the Reconstruction Finance Corporation in restoring credit and in helping small banks, and may I suggest to the Senator the advisability of introducing a concurrent resolution and asking unanimous consent for its immediate consideration directing the conferees to put in the bill the provision in which he is interested? If such a concurrent resolution were passed by the Senate and sent over to the House at the same time the report went back to the House, it might be possible then for the conferees to do what the Senator from New York says he will be glad to do.

Mr. HATFIELD. I thank the Senator for the suggestion.

Mr. WAGNER. Mr. President——

Mr. HATFIELD. I yield to the Senator from New York.

Mr. WAGNER. I was going to suggest a simpler way than that. A bill making such provision could now be introduced, and I am sure the Senator could secure unanimous consent for its consideration.

I want to make this further observation: I heard the protest of the Senator from Pennsylvania. He has been sitting here during the entire time this bill was under consideration, covering a period of six weeks. If he so vehemently protests now, I am sorry the Senator did not call the matter to our attention while the bill was pending, for there would have been no difficulty in including it in the bill if he had offered it by way of an amendment. I suggest to the Senator now that he introduce a separate bill, and I am sure that he will have no difficulty in having it passed at once. I do not think anyone will object.

Mr. DAVIS. Mr. President——

Mr. HATFIELD. I yield to the Senator from Pennsylvania.

Mr. DAVIS. I desire to inform the Senator from New York that I was not in charge of the bill, and he should have thought of it himself.

Mr. GLASS. Mr. President, does a Senator have to be in charge of a bill in order to propose an amendment to it?

Mr. DAVIS. No, sir.

Mr. GLASS. Then why did not the Senator get up here and assert his rights and his interest in the working classes by proposing an amendment?

Mr. ROBINSON of Arkansas. Mr. President——

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

Mr. HATFIELD. I yield.

Mr. ROBINSON of Arkansas. It is apparent that under the rules of this body new legislation can not be inserted in a conference report. When a bill goes to conference both Houses are so bound that they can not consider new matter. If we should undertake now to amend this bill, we would defeat the legislation. We had just as well recognize that as a fact.

It is a very strange thing that one in sympathy with the legislation should attempt to propose an amendment after the bill has gone to conference, considering that the rules of both Houses have imposed limitations on the power of the conferees. Any new matter inserted now—that is, any matter that is not either in the House bill or in the Senate bill—would result in defeating the legislation.

We can not go on forever amending this bill. It has been before the Senate and before the House for a long time. We ought to reach a conclusion concerning it; we ought to close this bill up now and send it to the President. I favor and urge that action.

Senators talk about being willing to stay here all the summer. How can they explain or justify their failure heretofore to propose amendments in which they have become suddenly interested. Why was not this proposition submitted to the Senate when the bill was here and open to amendment?

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

Mr. ROBINSON of Arkansas. Certainly.

Mr. HATFIELD. The Senator from Arkansas has not the floor, and I did not yield for a speech.

Mr. BARKLEY. If the amendment had been presented, it probably would have been adopted, and that may explain why it was not presented.

Mr. ROBINSON of Arkansas. Yes; it might have been adopted. Why was it not offered when the Senate was considering the bill?

Mr. HATFIELD. Mr. President, I did not yield for a speech.

Mr. ROBINSON of Arkansas. Why is it proposed after the bill has gone to the conferees and the conferees are prevented by the rules governing conferences to propose new legislation?

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

The PRESIDING OFFICER. The Senator from West Virginia has the floor and has not yielded for anything except a question.

Mr. HATFIELD. In reply to the distinguished Senator from Arkansas, I wish to observe that the home loan relief bill was passed by this body, and right upon the heels of

its passage the distinguished Senator and his associates asked for the consideration of the relief bill; it was considered and forced through in less than four hours. The Senator from the State of Pennsylvania and the Senator from the State of West Virginia had no opportunity to read the subject matter contained in this bill.

Mr. ROBINSON of Arkansas. Mr. President, will the Senator yield?

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

Mr. HATFIELD. I am going to yield the floor, and the distinguished Senator from Arkansas can have it, so far as I am concerned.

Mr. ROBINSON of Arkansas. The statement just made by the Senator from West Virginia is amazing. It has no support in fact. Under the rules of the Senate there is no limitation as to time or as to the subject matter of amendments to a bill of this character. I did wish to get action, as I wish to do so now. I think we have quibbled too much about this measure.

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

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

Mr. ROBINSON of Arkansas. Certainly.

Mr. HATFIELD. What part of the statement of the Senator from West Virginia is amazing to the distiguished Senator from Arkansas?

Mr. ROBINSON of Arkansas. The statement that the Senator had no opportunity to read the bill and no opportunity to offer amendments to it.

Mr. HATFIELD. Will the Senator yield further?

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

Mr. ROBINSON of Arkansas. I will yield to anybody for a question.

Mr. HATFIELD. It is true, Mr. President——

Mr. ROBINSON of Arkansas. I yield first to the Senator from New York.

Mr. WAGNER. I should like to ask the Senator whether it is not a fact that this bill, practically in the form in which it is now under consideration by the Senate, was before this body four different times, passed four different times, and on one occasion it was under consideration for an entire week and debated for an entire week? I should like to know where the Senator from West Virginia and the Senator from Pennsylvania were during that time? I know that the Senator from Pennsylvania was not even present here during a great part of the consideration of the bill.

Mr. ROBINSON or Arkansas. I think the statement made by the Senator from New York is entirely correct. I do not criticize the Senators from West Virginia and Pennsylvania for refraining from offering an amendment, but I place the responsibility on them for the course that they took. There is no limit on debate in the Senate; there is no limit on the opportunity to offer amendments. If the Senator thinks it would take some four hours to read a bill of just a few pages that, perhaps, constitutes an explanation for his belated effort to amend this bill.

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

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

Mr. ROBINSON of Arkansas. I yield.

Mr. HATFIELD. How many pages would the Senator say are in the bill?

Mr. ROBINSON or Arkansas. Oh, Mr. President, that is a childish inquiry.

Mr. HATFIELD. Oh, no.

Mr. ROBINSON of Arkansas. Yes; it is. The Senator can look at the bill and ascertain the number of its pages.

Mr. HATFIELD. Will the Senator yield?

Mr. ROBINSON of Arkansas. I shall decline to yield.

Mr. HATFIELD. I expected the Senator would.

Mr. ROBINSON of Arkansas. I shall decline to yield to the Senator from West Virginia if he insists on making childish inquiries.

Mr. HATFIELD. I expected the Senator to take that position. It is in keeping with his attitude generally here in the Senate of the United States ever since I have been here.

Mr. ROBINSON of Arkansas. The Senator from West Virginia can not make such statements in my time. His interruptions are childish; they are either based on ignorance or incompetence. The Senator from West Virginia, as a Member of this body, has had unlimited opportunity to offer amendments. If he knows anything whatever about the rules that prevail here, he knows that after a bill goes to conference new matter, except by unanimous consent, can not be inserted. If he wishes to kill this bill he can pursue the course that to him seems desirous, but I say, Mr. President, the Senate ought to act.

Mr. THOMAS of Idaho. Mr. President——

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

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

Mr. THOMAS of Idaho. I merely wish to ask a question. On page 12, section (b), I notice that the provision about which we are talking reads:

> (b) 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).

The Senator from Michigan just a moment ago raised the question—and I wish to repeat it to the distinguished leader of the minority—as to what his interpretation of that particular section is. Would it mean that as soon as this report is transmitted to the Secretary of the Senate and the Clerk of the House it would be public property, or would it be property for the use of the Senate and the House when they again resumed their sessions?

Mr. ROBINSON of Arkansas. The Senator from Idaho has asked a question which I believe to be quite pertinent to the issue under consideration.

A report to the President, a report to the Senate or to the House of Representatives, is the property of the individual or the officer or the body to whom the report is made; and it is not subject to publicity unless the individual or the body receiving the report chooses to make it public, in the absence of an express provision requiring publicity.

Mr. HASTINGS. Mr. President——

Mr. ROBINSON of Arkansas. Let me conclude my answer to the Senator's question.

So I conclude that there is no ground for apprehension, no occasion for excitement or disturbance. If the Reconstruction Finance Corporation is required to report to the Senate and the House of Representatives, or, in the vacation of Congress, to the Clerk or Secretary of the bodies, respectively, the reports are in the control of the bodies to which they are made. If the House wishes them published, it can take appropriate action to publish them. If the Senate wishes the reports published, it can take appropriate action to publish them. But the Clerk of the House and the Secretary of the Senate are the agents of the bodies which they represent; and they have no express or implied authority to publish reports received for the bodies which they do represent.

Mr. THOMAS of Idaho. I thank the Senator. I feel that if that provision were carried out as the Senator interprets it, a great deal of the opposition to the adoption of the conference report would be obviated, because under the resolution passed the other day the committee was authorized to investigate the affairs of the Reconstruction Finance Corporation and report back in January anyhow.

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

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

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

Mr. VANDENBERG. I think the statement the Senator has just made is so important that I want to be perfectly sure that there is no question about it.

Am I correct in understanding that the Senator from Arkansas agrees with the Senator from Idaho and the Senator from New York and the Senator from Virginia and

the Senator from Florida that when these reports are made to the Secretary of the Senate during a recess of the Senate it is the responsibility of the Secretary of the Senate to put the reports in his files as confidential matter until he is able to transmit them to the Senate, and that a similar legal status exists in respect to the responsibility of the Clerk of the House?

Mr. ROBINSON of Arkansas. As I have just said, the Clerk of the House and the Secretary of the Senate are the agents of the bodies to which they are attached; and they have no authority except that which is conferred upon them by the House or the Senate, as the case may be. Their business is to receive the reports in the vacation of the Congress. If the Congress were in session, either House might take such action respecting the reports it received as it thought proper to take; but in the vacation of the Congress all that the administrative officers can do is to receive them and hold them for the consideration of the bodies of which they are representatives.

Mr. BORAH. Mr. President——

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

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

Mr. BORAH. And in case the Congress adjourns without either House or Senate taking affirmative action authorizing making public these documents, neither the Secretary of the Senate nor the Clerk of the House would have any right to do so until we reconvene and take some action on the subject?

Mr. ROBINSON of Arkansas. I think that is certainly the correct construction of the provision.

The object of this provision, as I interpret it, is to supply the legislative branch of the Government with information. It is not to acquaint the public with the transactions that the Reconstruction Finance Corporation may have had. The Houses of Congress can publish or withhold from publication, as they see fit, the information that is supplied them. The Secretary of the Senate and the Clerk of the House have no authority except that which is granted them, either by law or by the rules of the bodies to which they are attached. That ought to be clear to any lawyer. Indeed, it seems to me that it should not require very much legal knowledge to enforce the conclusion I have stated.

Mr. GORE. Mr. President——

The PRESIDING OFFICER (Mr. PATTERSON in the chair). Does the Senator from Arkansas yield to the Senator from Oklahoma.

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

Mr. GORE. I should like to ask the Senator from Arkansas if it would be competent for the conference committee to insert a phrase to the effect that such reports should be held and deemed confidential until released by the authority of the respective Houses. If so, that would end this controversy.

Mr. ROBINSON of Arkansas. If the bill goes back to conference, it would in all probability be competent for the conferees to pursue that course; but if the bill goes back to conference it means that the matter will be carried over into next week, and that other questions may be presented delaying a determination of this matter; and I think the time has come to act.

Let me say that I have looked into what occurred in the House of Representatives when this conference report was presented. A vote was taken on agreeing to the conference report. There were on the Democratic side of the House 120 votes in favor of agreeing to it. On the Republican side there were 166 votes. On the Democratic side there were 34 nays. On the Republican side there were 14 nays.

Think of what that means! If we send this bill back to conference with that vote of the House staring us in the face, inevitably great delays will result, and it may be that a deadlock will occur.

Frankly, I have reached the conclusion that it is not wise, it is not helpful, to publish applications for loans to banks, or publish loans that are to be made to banks, in this emergent condition. Nevertheless, there is no logical reason why such publicity should not be had. It involves a question of policy. Many believe, many fear, that to announce the fact that a bank is seeking a loan or has secured a loan will result in a destruction of that confidence which is essential to give value to the loan.

I must say that the loans made by the Reconstruction Finance Corporation to banks have been disappointing in a very important sense. They have not resulted in the resumption of normal activities by the banks to which the loans have been made; and I do not think the public interest would be detrimentally affected by withholding loans if the only effect of them is to lock up in the vaults of the bank the funds so loaned in anticipation of a possible emergent run upon the bank.

In view of the vote which, when analyzed, shows that practically every Republican in the House of Representatives on the last vote supported this alleged publicity proposition—in view of the fact that the vote, when analyzed, shows that more Democrats voted against it than Republicans, more than 2 to 1—I do not think we ought to waste further time in agreeing to the conference report. I think the conferees on the part of the Senate had and have a full grasp of the difficulties that inhere in this proposition, and I think they recognized the fact that in order to secure a conclusion it was necessary to agree to the provisions of the conference report.

In view of the consideration that the provision will only supply information to the two Houses of Congress, and will not be given publicity except upon express orders of the House to which the report is submitted, there can be no substantial objection to agreeing to the conference report; for if, upon consideration of the subject, either the House or the Senate reaches the conclusion that publicity is desirable and helpful and proper, then it should be had. On the contrary, if it reaches the conclusion that the report should not be published, there can be no publicity.

The Senator from Michigan [Mr. COUZENS] presented a resolution which, in my judgment, upon thoughtful consideration of the subject, makes unnecessary additional publicity. His resolution created a committee of five of the Senate with power to search out any question involved in any loan made by the Reconstruction Finance Corporation. To me it is a very weak and untenable assertion that the committee so created would withhold any information to which the public may be entitled; would cover up or conceal any possible transactions, either past or future, that ought to be made public.

We all know that the question of credit is a very delicate thing in times like these. We all realize that when a bank, particularly a small country bank, goes to a Government agency to secure a loan, and that becomes known to the depositors, there is danger of a run. Runs on banks are not always based on sound economic necessity. They are representative, in a sense, of something in the nature of mob psychology. One person experiences a fear that the bank will fail. He communicates that to another depositor, with the result that a run is commenced, and it gathers volume, until frequently a solvent bank, and always an insolvent bank, is destroyed.

What is the sane, practical, sensible thing to do in view of all the facts and circumstances that have been stated? The House voted on the question, and the almost unanimous vote of the Republicans in that body was in favor of the conference report. A large vote, but not so large as that on the other side, was cast on the Democratic side in favor of the conference report.

Since unnecessary publicity can not occur, I do not believe there is any real danger in this provision, and I think that the Senate ought to agree to the conference report and send this bill on to the President, in the hope that we may finally conclude our labors and end this session.

Mr. VANDENBERG. Mr. President, will the Senator yield for one further question?

Mr. ROBINSON of Arkansas. Certainly.

Mr. VANDENBERG. On the basis of the premise as the Senator sets it, I would reach the same conclusion he reaches regarding the conference report. Furthermore, I entirely concur in his interpretation of the so-called publicity clause, which, in fact, is not an automatic publicity clause at all. At the risk of repetition, since the entire matter comes down to a matter of interpretation, so far as I am concerned, may I ask the Senator whether he thinks that the question of the publication of these reports during the recess, or the question of reports upon retroactive matters—may I ask him whether he thinks there is any doubt whatsoever respecting either of those subjects so as to invite the other House, or anybody in either House, to disagree with the construction which he and I and many of our colleagues put upon the situation?

Mr. ROBINSON of Araknsas. Mr. President, I must ask to be excused from expressing my opinion as to what possible interpretations may be placed by others on this provision. The Senator has had considerable legislative experience, and he realizes that contrary views are expressed when matters to him seem perfectly clear. But I have not the slightest doubt in my own mind that the correct legal construction, and practical construction, as well, of the language employed, has been made in the remarks I have submitted.

Mr. BINGHAM. Mr. President, the Senator from Michigan, in his last question to the Senator from Arkansas, brought up a matter which seems to me needs a little further consideration, and yet I do not know that there is any one here who can settle the question.

In view of the fact that we have been told that the House conferees, and, presumably, the management of the House, desired publicity to be given to loans, even though they were made some time ago, in view of the fact that we have been told that they somewhat reprimanded the drafting clerk for the way in which he prepared the amendment, because he later told them that it applied only to future loans; in view of the fact that the House managers seemed to take a view contrary to that taken by the Senate in regard to publicity, is there anything to prevent the Speaker of the House from instructing the Clerk of the House of Representatives to make public reports when they come to the Clerk even though the House be not in session?

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

Mr. BINGHAM. I yield.

Mr. GLASS. Where did the Senator get the information that the House itself desired publicity of the reports?

Mr. BINGHAM. I so understood the remarks made by the Senator from New York.

Mr. WAGNER. What is that?

Mr. BINGHAM. In the discussion which has proceeded this morning, I understood one of the conferees to say that the House conferees admitted that they wanted the matter to apply to other than future loans, but that under the wording as drafted by the drafting clerk it did not so apply, and that they were somewhat annoyed with him because it applied only to future loans.

Mr. GLASS. I made that statement, but there was nothing involved in the statement as to publicity of loans.

Mr. BINGHAM. I assumed that the whole question was one of publicity.

Mr. GLASS. No; that was not the question at all. The question was as to the retroactive aspects of the thing, if it had any; not as to publicity at all. I have contended, as the Senator from Arkansas has stated so much more elaborately and capably, that these reports are to be disposed of as the respective Houses may direct, and that it does not necessarily follow, or follow at all, that they shall be given publicity unless it is so ordered.

Mr. ROBINSON of Arkansas. Mr. President, further answering the question of the Senator from Connecticut, the Clerk of the House and the Secretary of the Senate are agents of the House and the Senate and not of the presiding officers of the two bodies. I do not think the Vice President of the United States would have authority to instruct the Secretary of the Senate to take an action which the Senate had neither authorized its presiding officer to direct, nor its clerical officer to take.

Of course, this is true, that if the Secretary of the Senate or the Clerk of the House should take a contrary view of the matter and insist that the sending of reports to them for the bodies they represent, respectively, gave them the power to make public the reports, and they did make them public, there would be no remedy. But that is true respecting every report that comes to either body, and I do not anticipate that there is any practical difficulty growing out of those facts.

Mr. BINGHAM. Mr. President, may I ask the Senator, while he is on his feet, whether, in connection with the publicity required in regard to campaign returns, the act specified that the Secretary of the Senate and the Clerk of the House should make the matters public as soon as they received them?

Mr. ROBINSON of Arkansas. I do not remember what is the provision in the corrupt practices act. I had not conceived that it had any relationship to the matter now under consideration.

Mr. BINGHAM. It has none, except in so far as a precedent might have been established.

Mr. ROBINSON of Arkansas. The purpose of corrupt practices acts, of course, is to give publicity; and in all probability there is either an express or implied provision in the statutes relating to corrupt practices that would permit the clerical or administrative officers to publish the reports they receive or the statements which they may receive. But this question involves the legal construction of the language employed, and, I repeat, an administrative officer, as a rule, has only such power as is conferred on him by statute, and can not exceed that power without violation of his public duty.

Mr. JONES. Mr. President, will the Senator from Connecticut yield to me?

Mr. BINGHAM. I yield.

Mr. JONES. I would just like to suggest to the Senator that I have the impression that our clerks, unless they have instructions to keep a report confidential, naturally treat it as public information. Their records are certainly public, unless we have directed otherwise. So it is my view that the Secretary of the Senate would make any of this information available to the public, unless the Senate directly instructed him to keep it confidential. I think the Senate could do that.

Mr. ROBINSON of Arkansas. Mr. President, the Secretary receives it for the Senate; he does not receive it on his own account. He is the agent of the Senate.

Mr. JONES. Yes; but unless he has instructions to the contrary, I do not think he treats it as confidential. I think the Senate, however, may direct him to treat the matter as confidential.

Mr. ROBINSON of Arkansas. There is no question about that.

Mr. JONES. And I think we ought to do that.

Mr. ROBINSON of Arkansas. There is no question about the power of the Senate to do that, but we have this difficulty. We have a conference report embracing this provision, which has passed the body at the other end of the Capitol by an almost unanimous vote, and we are now confronted with the question whether we shall send this bill back and request a further conference or agree to the conference report, which will, in effect, as I understand it, pass the bill and end the controversy. In view of all the circumstances, I do not think we ought to delay final action longer.

Mr. JONES. Mr. President, may I say to the Senator that what I have in mind is this: Not to delay the bill, not to have any of this proposition in conference, but immediately upon the passage of the bill instruct or direct our Secretary to treat such information as confidential.

Mr. ROBINSON of Arkansas. Unless the House of Representatives took similar action, it would result in no important advantage.

Mr. JONES. I realize that, but I would think that if one House had information that the other House desired that such information be treated as confidential, especially during the recess, both Houses would take that action.

Mr. ROBINSON of Arkansas. I am not sure that that follows. Frequently differences arise between the two Houses, and I feel, from a long experience in the Congress, that sometimes those differences have very little substantial importance.

Frankly, I believe that with the publicity provision that is in the bill and with the committee created by the resolution of the Senator from Michigan, there is no likelihood of any detriment coming to the public by reason of a lack of publicity; that any secrecy which may occur will not prove detrimental.

We threshed this all out when we were passing the Reconstruction Finance Corporation bill, and I supported with fervor the amendment of the Senator from Wisconsin [Mr. LA FOLLETTE], who then insisted upon frequent public reports of the proceedings of the Reconstruction Finance Corporation.

The Congress having determined not to accept such a provision, and this having been attached to a bill the major provisions of which are of very far-reaching importance, I feel that we ought not to quibble; that we ought not to delay final action; that we ought not to keep Congress in session for an indefinite period over a controversy which, when analyzed, is not of very great importance.

Mr. BINGHAM. Now, Mr. President, I should like to state that I have had an opportunity to examine the Federal corrupt practices act, and I find in section 308 (c), with regard to returns made, this sentence:

> They shall be preserved by the Clerk of the House or the Secretary of the Senate for a period of two years from the date of filing, shall constitute a part of the public records of his office, and shall be open to public inspection.

Mr. ROBINSON of Arkansas. The Senator has answered his own question conclusively.

Mr. BINGHAM. Therefore that does not constitute a precedent under which either the Clerk of the House or the Secretary of the Senate might divulge these reports if they came to either.

Mr. ROBINSON of Arkansas. I had the impression that there was some such provision in the corrupt practices act, and so indicated, but I did not remember it with accuracy. So that I concur in the opinion expressed by the Senator from Connecticut.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

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

The PRESIDING OFFICER. The clerk will call the roll.

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

Ashurst	Davis	Kean	Schall
Austin	Dickinson	Keyes	Sheppard
Bailey	Fess	King	Shipstead
Barbour	Fletcher	La Follette	Shortridge
Barkley	Frazier	Lewis	Smoot
Bingham	George	McKellar	Steiwer
Black	Glass	McNary	Stephens
Borah	Goldsborough	Metcalf	Thomas, Idaho
Brookhart	Gore	Morrison	Thomas, Okla.
Bulkley	Hale	Moses	Townsend
Bulow	Harrison	Neely	Trammell
Byrnes	Hastings	Norbeck	Vandenberg
Capper	Hatfield	Norris	Wagner
Cohen	Hayden	Patterson	Walcott
Connally	Hebert	Pittman	Walsh, Mass.
Costigan	Howell	Reed	Watson
Couzens	Johnson	Robinson, Ark.	
Dale	Jones	Robinson, Ind.	

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

Mr. COUZENS. Mr. President, may I have the attention of the Senator from New York [Mr. WAGNER]? It has been drawn to my attention that subsection (c) of Title II, with respect to surpluses of agricultural products, contains the following:

> In order that the surpluses of agricultural products may not have a depressing effect upon current prices of such products, the corporation is authorized and directed to make loans in such amounts—

And so forth.

It has been drawn to my attention that every other provision of the act provides that the Reconstruction Finance Corporation shall obtain security for the loans. In reading this subsection I do not find that there is any language in it which requires the corporation to obtain security for the loans. May I ask the authors of the bill if they intended that the loans should be secured?

Mr. WAGNER. Mr. President, the Senator may remember that I voted twice to have this provision stricken from the bill. However, I invite his attention to the fact that the provision with reference to security was transferred to another place. Subsection (f) provides that "all loans made under this section" shall be fully and adequately secured. That covers the point.

Mr. COUZENS. So the Senator's interpretation is that all agricultural loans are to be adequately secured.

Mr. WAGNER. Yes; the language is "shall be fully and adequately secured."

Mr. COUZENS. I wanted to make sure of that, because the committee of which I have the honor to be chairman will have to look into these loans as made, and I wanted to be sure that it was the interpretation of the Senator and others that the loans were to be adequately secured.

Mr. WAGNER. I recall that instead of repeating it on the different subdivisions we decided to have one general provision covering all of them and providing that all loans made under the section must be fully and adequately secured. That relates to the entire section.

The VICE PRESIDENT. The question is on agreeing to the conference report.

The report was agreed to.

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Haltigan, one of its clerks, announced that the House had disagreed to the amendments of the Senate to the joint resolution (H. J. Res. 461) making appropriations to enable the Federal Farm Board to distribute Government-owned wheat and cotton to the American National Red Cross and other organizations for relief of distress; asked a conference with the Senate on the disagreeing votes of the two Houses thereon, and that Mr. BYRNS, Mr. TAYLOR of Colorado, Mr. AYRES, Mr. WOOD of Indiana, and Mr. WASON were appointed managers on the part of the House.

ENROLLED BILLS SIGNED

The message also announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the Vice President:

S. 4569. An act relating to loans to veterans on their adjusted-service certificates;

S. 4912. An act to protect the copyrights and patents of foreign exhibitors at A Century of Progress (Chicago World's Fair Centennial Celebration), to be held at Chicago, Ill., in 1933;

S. 4976. An act granting the consent of Congress to the Highway Department of the State of Tennessee to construct a bridge across the South Fork, Forked Deer River, on the Milan-Brownsville Road, State Highway No. 76, near the Haywood-Crockett County line, Tenn.; and

H. R. 2927. An act for the relief of Eva May Peed, widow of George M. Peed.

PROHIBITION—CONSTITUTIONAL AMENDMENT

Mr. GLASS. Mr. President, I persist in my motion to take from the table Joint Resolution 202 relating to the eighteenth amendment. I do not care to enter into a discussion of the merits of the proposition unless it shall be taken up.

The VICE PRESIDENT. The question is on agreeing to the motion of the Senator from Virginia to proceed with the consideration of Senate Joint Resolution 202.

WHEAT AND COTTON FOR AMERICAN NATIONAL RED CROSS

The VICE PRESIDENT laid before the Senate the action of the House of Representatives disagreeing to the amend-

ments of the Senate to the joint resolution (H. J. Res. 461) making appropriations to enable the Federal Farm Board to distribute Government-owned wheat and cotton to the American National Red Cross and other organizations for relief of distress, and requesting a conference with the Senate on the disagreeing votes of the two Houses thereon.

Mr. JONES. Mr. President, I move that the Senate insist on its amendments, agree to the conference, and that the Chair appoint the conferees on the part of the Senate.

Mr. KING. Mr. President, the resolution which passed the Senate a few hours ago, concerning which a conference is desired, was, I may say in all frankness, the subject of some debate. Concessions were made by opponents of the measure in the form in which it was presented. I want to state to those who may be appointed conferees, if the request for a conference is granted and the conferees are appointed, that I sincerely hope the action of the Senate based upon the considerations referred to will be adhered to. Of course it would be improper to indicate what would be the result if that were not done, but if it is important that this bill should be passed, I beg leave to suggest that the action of the Senate shall be adhered to.

Mr. GORE. Mr. President, I merely wish to add to the statement of the Senator from Utah that the joint resolution could not have passed the Senate, in my judgment, but for the amendment suggested by the Senator from Tennessee [Mr. McKELLAR] and acquiesced in by the Senator in charge of the joint resolution, the Senator from Washington [Mr. JONES]. I believe that there has been no change of judgment on the part of the Senator from Utah, the Senator from Tennessee, or myself and others who desire that this amendment be incorporated in the measure.

The VICE PRESIDENT. The question is on agreeing to the motion of the Senator from Washington.

The motion was agreed to; and the Vice President appointed as conferees on the part of the Senate Mr. JONES, Mr. SMOOT, Mr. HALE, Mr. GLASS, and Mr. McKELLAR.

ADDRESS BY PAUL Y. ANDERSON BEFORE OKLAHOMA PRESS ASSOCIATION

Mr. NORRIS. Mr. President, on the 27th day of May this year before the Oklahoma Press Association at Shawnee, Okla., there was delivered an address by Paul Y. Anderson, a Washington correspondent of the St. Louis Post-Dispatch. Most of the address is taken up with what I believe to be a very high-class and logical defense of Congress against the propaganda that has been waged against it in various ways. We all know that Mr. Anderson has been a Washington correspondent of the St. Louis Post-Dispatch for a good many years. He knows as well as any other man, perhaps, in the United States, from his own observation, what goes on both in the other House and in the Senate. I do not know of any person who is better qualified to tell the country the truth about Congress than is he. We know him, too, as a critical observer, never hesitating to criticize when criticism is due. I ask unanimous consent, Mr. President, to have the address referred to printed in the RECORD.

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

I am guilty of no fulsome compliment when I assert that the opportunity to be here under these circumstances fills me with acute delight. Not often does a mere reporter enjoy the privilege of appearing before a large and distinguished gathering of editors and publishers and saying exactly what he thinks without fear of reprimand, suspension, or dismissal. The business of a reporter, as distinguished from that of the editor, is to tell the truth. When I announce, therefore, that I shall consider it my duty on this occasion to utter a number of infinitely disagreeable truths, let no man sympathize with me in his heart, for no task could be so thoroughly pleasant and congenial.

Nevertheless, I firmly believe that reporters should seek to be fair where editors are concerned, overlooking their frailties and futilities when humanly possible, dealing charitably with their folly and ignorance when not too egregious, and cheerfully bestowing on them whatever modicum of credit they may, by any stretch of the imagination, be said to deserve. The very fact that Walter Harrison, after an unremitting campaign lasting seven years, has finally succeeded in persuading the Society of American Newspaper Editors that it would not be guilty of undue severity if it meted out discipline to members taken in the act of fraud, blackmail, bribery, barratry, arson, or murder, should be sufficient to convince every fair-minded person that the ethical standards of the profession are improving. There is no sound reason why editing may not in time come to be fully as respectable as reporting, despite the obvious fact that it can never be as useful.

Having laid that soothing unction to your several editorial souls, I invite you to a consideration of the subject, "The Press and the Federal Government"—under which I shall deal mainly with the press and Congress and the press and the President. It is a subject of profound concern to all of us here. I have had excellent opportunities to study it at close range, and it is my solemn conviction that not only the future of the press but the very fate of the Republic will depend very largely on the attitude of the press toward Congress and the President.

In speaking of the attitude of the press toward Congress, it is necessary to draw certain distinctions. Just as Congress consists of two somewhat dissimilar branches, so also the press, in its relations with Congress, must be regarded as consisting of three distinct elements, namely, the Washington correspondents, who write about it at first-hand; the editors, who write about it at second hand; and the publishers, who often determine what the other two groups may write.

Generally speaking, relations between Congress and the press are mutually satisfactory in direct ratio to their intimacy. Thus, relations between Congress and that division of the press which is in direct personal contact with it are excellent, especially in the case of the Senate. Relations between Congress and that section of the press which writes about it from a distance are less happy, particularly in the case of the Senate. Relations between Congress and that element of the press which usually has no contact with, and precious little information about, Congress are distressing—acutely so in the case of the Senate. Here, in other words, is a situation where unfamiliarity breeds contempt.

Again, speaking generally, it may be said that in dealing with Congress, as with everything else, the reporter seeks to please the editor, and the editor seeks to satisfy the publisher. Consequently, in an operation, the ostensible aim of which is to supply the public with accurate and expert knowledge, you are likely to find the man who knows most about the facts taking his cue from the man who knows least about them. Such inversions are not uncommon in a country where the greatest wisdom is popularly attributed to those who have spent the least time acquiring wisdom and the most time acquiring money, and certainly this example of it occurring within our profession will shock nobody who subscribes to the theory that those who have made a tolerable success of the Government should listen humbly to those who have made a complete and horrible mess of business.

Reporting the proceedings of the Senate is recognized, by common consent, as the choicest assignment of the Washington correspondent. The White House by comparison is a lobster watch, devoid of allurements to all except chess players and gentlemen in need of sleep. It is not necessary for me to tell this gathering that my use of the term "lobster watch" carries no personal implications. As all of you know, it is an ancient phrase of our craft, employed to designate an assignment where little is expected to happen, and where anything that does happen is likely to be unwelcome to all concerned.

Regardless of what you have heard—and of what I fear many of you have written—the fact remains that the sharpest intellects, the strongest characters, and the most colorful and dynamic personalities in the National Government are to be found in the Senate. Because of its limited membership and flexible rules the Senate has become the world's greatest forum for the discussion of public questions. It is in the Senate that the opposition really functions; hence there it is that national issues really are threshed out. It is in the Senate—and I am almost tempted to say only in the Senate—that the divergent forces, the conflicting political philosophies, and the powerful and changing current of our national life becomes articulate.

Nowadays it is fashionable to say that because of the direct primary and direct election, the personnel of the Senate has deteriorated, that it is no longer the body which produced Webster, Clay, and Calhoun. Well, I usually reply to that criticism by asking the critic to name three men who were colleagues of Webster, Clay, and Calhoun, and so far I have found nobody who could do it off hand. Genius is not the product of any system of nomination or election. I have looked down from the press gallery on a Senate which numbered among its members La Follette the elder, John Sharp Williams, James A. Reed, NORRIS, TOM WALSH, Henry Cabot Lodge, Penrose, Oscar Underwood, HIRAM JOHNSON, BORAH, and Philander Knox—a galaxy which I will match against any equal number chosen from the days when the Senate was known as a rich man's club, and admission depended largely on the ability of the candidate or his friends to buy up a majority of the State legislature.

No; the Washington correspondents are compelled to recognize the Senate as the focal point of interest, intelligence, courage, and conflict of purpose in the Capital. Sometimes it seems erratic; often it is exasperating, but it is seldom dull. With all its faults it remains the most democratic and the most useful political institution in our Government.

The relations of the correspondents with the House are necessarily less intimate and consequently less satisfactory. In suggesting one reason for that, I can not do better than to quote a Member of the House, a distinguished parliamentary authority, Representative LUCE, of Massachusetts, who said:

"Because of its lost motion and tedious procedure, the House has become not only an inveterate time killer but an insufferable bore. The public ignores it, the press shuns it, and its own Members can not endure it. This result is due almost entirely to

antiquated rules and customs which nobody defends but which few attempt to change."

Since those words were uttered—indeed, since the present session began—very considerable reforms have been effected in the House rules, so that it is now possible for a sovereign representative of the people to vote, and occasionally even to speak on matters which affect the lives of his constituents. Other factors which have detracted from the dignity and attractiveness of the House in recent years have been its subservient attitude toward the President and the rigorous party discipline in force. In its noblest moments the House never quite loses the atmosphere of a penal institution. The great size of the membership is much to blame; it would be vastly more articulate and democratic if cut in half.

Nevertheless, in the House as in the Senate, conditions may be said to approach the ideal from the reporter's standpoint compared with those he constantly encounters elsewhere in the capital. When a Senator or Representative makes a speech or issues a statement he recognizes the right of the press to inquire about his meaning, his facts, his authority and his purposes. Because of timidity or indifference the reporter's right of cross-examination is exercised neither so often nor so vigorously as it ought to be, but that is not the Congressman's fault.

Contrast this with conditions in the executive departments, where every official, down to the rank of third assistant administrative secretary proceeds, the moment he gets on the pay roll, to constitute himself an impersonal and unidentifiable oracle, privileged to broadcast anonymous statements, accessible only at stated hours, open to interview only by the arts of clairvoyance, and whose unsigned handouts, regardless of their inconsistencies, absurdities, propaganda, and ordinary damned lies, are immune to challenge.

EDITORS AND CONGRESS

Editorial writers are said to work in a vacuum, and all too often they tend to assume the characteristics of their environment. I have seen editorial writers who were neither copyreaders whose eyes had gone bad, nor reporters whose arches had broken down, but entirely too many of them fall in one category or the other. There are three familiar editorial criticisms of Congress, and it is common to see an editorial containing all three. First, Congress is denounced for talking too much. Second, it is denounced for investigating too much. Third, it is denounced for passing too much half-baked legislation. Now, half-baked legislation is legislation enacted without sufficient investigation and discussion, so it must be perfectly obvious that the third criticism can hardly be reconciled with the first two.

The relations between editors and Congress are, from my experience, characterized by too much talk, too little investigation, and too many half-baked conclusions—on the part of the editors. There is hardly a Washington correspondent, however humble, who has not at one time or another been shamed by the crass ignorance disclosed by editorials in his own paper. It is a daily occurrence to find on the editorial pages of the largest metropolitan newspapers hostile criticisms of Congress which are flatly refuted by facts contained in the Washington dispatches appearing in the same editions.

Recently, for example, following certain critical developments in the House fight over the tax bill, I read on the editorial pages of several large eastern newspapers that the revolt against the sales tax had collapsed; that Speaker GARNER had regained complete mastery of the situation; that the Members were in a chastened mood and ready to follow their leaders; and that the insurgents under LAGUARDIA had realized the futility of continuing their rebellion when they had no definite substitute program of their own. What did I find on the front pages of the same newspapers on the same morning? That Speaker GARNER had gone on the floor and admitted the impossibility of enacting a sales tax, and had told the House to pass whatever taxes it chose, so long as it passed them quickly; that the leaders had turned the rewriting of the bill over to a new committee composed of insurgents; and that it was being redrafted along the lines of the substitute program submitted a week earlier by LAGUARDIA!

This is not an isolated instance. I cite it merely because it is a recent example of the sort of thing which goes on constantly, in what seems to be almost a concerted campaign of calumny to destroy the prestige and influence of Congress.

Concerning the attitude of newspaper publishers toward Congress, it is necessary to say little. The owner of a large newspaper, ipso facto, is a man of large business interests, and all too often his political outlook is indistinguishable from that of other business men. It usually finds expression in telling Congress to "go home and let the President run the country"—a phrase, incidentally, which betrays a childlike ignorance of the processes of our Government. That there are exceptions to this rule, I am happily aware. Wherever you find them you will also find editors who are scholars and correspondents who report the news without fear or favor. And because there is no thoroughly satisfactory substitute for a job well done, you will usually find them running successful newspapers—a circumstance to which I invite the attention of all cheese makers or public-utility magnates who contemplate starting newspapers.

Turning now to the relations of the press to the executive departments, beginning with the President, I must say that reporters, editors, and publishers are all partly to blame for the unsatisfactory conditions which exist. They have built up an atmosphere of sanctity around the office of President which is unjust to him, to them, and to the public. Take, for example, the case of a little lawyer-politician who was elevated to the Presidency by accident. He said little because he had little to say. Yet on the bare circumstance that he happened to be taciturn of speech—a trait which he shared with millions of men who could not read or write—the press reared the image of a mighty and inscrutable Buddha, heavy with wisdom and vested with supernatural powers of insight and foresight. At portentous intervals he opened his eyes, and in sepulchral tones uttered the magic word "economy"—whereupon the impression went out to the reading public that governmental expenditures were being drastically reduced, although, as a matter of fact, they increased every year except one during his administration. Is it any wonder that he held the press in ill-concealed contempt?

I shall not dwell on the "superman" myth which made its appearance prior to the presidential campaign of 1928. Many of us who were partially deceived contributed to the deception of others, although in self-defense I must say that I never reached that stage of hypnotic, pop-eyed ecstasy which seized some reporters and many editors. Wherever the blame lies, the correspondents who shared it have been fittingly punished.

There is no excuse for any President failing to get along with the reporters. His wishes are treated with peculiar deference. Everything he desires to say is published. Much that he desires to keep out of print is deliberately suppressed. He is constantly permitted to distort facts without fear of correction. The press of his own party gives him a blind loyalty. The so-called independent press treats him with "the respect due the office." The opposition press carefully avoids the accusation of partisanship where he is concerned. Day after day he and the members of his Cabinet float on a sea of soft-soaping, goose-greasing, back-scratching, hero-worshipping, idolatrous bilge fit for an oriental potentate or the gods. No fat man could ask for a softer bed. Yet the fact remains that during the last three years relations between the press and the President have been characterized by an unprecedented amount of mutual dislike and distrust. The reporters who erected the "superman" myth and the candidate who encouraged them and profited by it are undergoing a form of misery which is not mitigated by their enforced company.

Certain exceptions may be noted. In our craft, as in all others, we find courtiers who are content to bask in the king's favor on the king's terms. In former days the price of allegiance was a trip down the Potomac on the Mayflower, a lettuce sandwich and a cup of tea. But commodity prices have declined even in Washington, and now the customary reward is a White House dinner invitation, or, in very special instances, a week-end visit to the Rapidan camp. The latter, however, is mainly reserved for editors and publishers. Do not suppose for an instant that these journalistic fan-bearers are envied by their colleagues. On the contrary, I often wonder what satisfaction they derive from the smiles of an officeholder, however exalted, that compensates them for ribald jokes which they must endure—jokes based mostly on allusions to a profession older if not more honorable than journalism.

As I have said, the Washington correspondent knows what is expected of him in the home office. Consequently, when a President resorts to the threadbare trick of adding up the sums contained in all the appropriation bills that have been introduced, and thereby obtains a total of five to fifteen billion dollars to prove that Congress is about to bankrupt the country, the average correspondent simply holds his nose with one hand and with the other begins his story somewhat as follows: "The President, in a fighting mood, to-day served notice on Congress that he is prepared to resist all threatened raids on the Treasury." He does not write the fact that the President knew perfectly well that nine-tenths of the bills enumerated by him were never taken seriously, even by their authors; for that would be "injecting editorial matter into a news story."

Again, when the President issues a clarion call for "economy," the correspondent, for similar reasons, refrains from disclosing that at the moment when the call was issued half the members of the President's Cabinet were on Capitol Hill lobbying desperately against any cuts in the appropriations for their respective departments. In short, the correspondent simply does what he thinks he has to do to hold his job. But there is one privilege he does retain—that of relieving his feelings orally. Regardless of what monstrosities appear under his by line, no reporter need lose his self-respect so long as his voice and vocabulary hold out.

The popular disposition to glorify the President at the expense of Congress is very human, being rooted first in a love of show, and, second, in mental indolence. No parliamentary body, no matter how impressive its proceedings, can match the spectacle afforded by autocracy. For that reason the soundest democracy on earth—Great Britain—had contrived to retain the advantages of both; that is, it vests supreme power in the representatives of the people and periodically exhibits the monarch for the edification of a civilization which has not yet outgrown its love of gold braid and feathers. The President is dramatized in the setting of the White House, while Congress is scattered all over the place. The President is an individual, while Congress is a group. He is remote and mysterious, while Congress is familiar. His aims are more or less uniform, while the policies of Congress, until formulated in legislation, are confused. It is easy to listen while the President tells what he wants; it requires a certain amount of industry and concentration to determine what Congress is doing.

Now it would hardly be a serious matter if the habit of sneering at Congress was confined to such professional wisecrackers as "Bugs" Baer, Senator MOSES, and Will Rogers, since it is universally recognized that a man must make a living by applying the talents which God gave him to the material ready to his hand.

But when that derisive chorus is joined by a majority of the serious-minded press, we are confronted by something which does matter. And since the tendency has grown out of a certain recent attitude toward the Senate, it may be instructive to recall its origin. The propaganda against the Senate began with the oil investigations conducted by Senator WALSH and the investigation of the Department of Justice by Senator WHEELER. I dare say few editors will relish being remembered as defenders of Fall, Sinclair, Doheny, Daugherty, Jess Smith, and the "Little Green House on K Street." Nevertheless, it was the New York Times which alluded to WALSH and WHEELER as the "Montana mud gunners" when they undertook to expose the unspeakable frauds which had been perpetrated against the Nation and the unutterable rottenness which existed at the very heart of the Government.

The oil thieves and the Ohio gang have long ceased to be objects of editorial solicitude, but the campaign of calumny launched in their behalf has never faltered since the late Senator La Follette's resolution to investigate Teapot Dome was denounced as "a fishing expedition" and WHEELER's effort to fumigate the Department of "Injustice" was solemnly condemned as "an attempt to embarrass President Coolidge" and "to desecrate a shroud." Always a tender-hearted press has been able to find new victims of "senatorial outrage." In turn, the tariff lobbyists, the post-office lease promoters, the radio buccaneers, the recipients of large tax refunds, the "yellow-dog" contractors, the power pirates, the international bankers, and the racketeers on the New York Stock Exchange have fallen heir to the fountains of editorial pity and indignation that originally gushed for Fall and Daugherty.

For 10 years Congress has been the chief defense of the public against the interests which seek to pillage and exploit it, as every newspaperman in Washington knows perfectly well. And for 10 years an influential section of the American press has taught the public to ridicule its defender. This is worse than dishonest; it is stupid. Every newspaper owner of culture and vision enough to see 10 yards past the door of his bank ought to know that a free parliament and a free press always have been and always must be inseparable. A press which undermines the authority and influence of Congress for exercising the prerogatives of free inquiry and discussion is preparing the ground for its own extinction. Every word and act which augments the power of the Executive weakens the influence and narrows the liberty of the press. It is a tendency toward 1-man rule, and we all know what happens to newspapers under dictatorships.

If you do not believe these Cæsars grow great upon the meat you feed them, come and work in Washington for a while. There you will learn that it borders on treason to oppose the foreign policies of the particular administration which may be in power. You will be asked in the name of "patriotism" to write stuff which you know to be untrue or misleading and to suppress facts which you know the public should have. You will even be requested, in an economic crisis like the present, to submit what you write about the administration's so-called remedial measures to a White House secretary before filing it. This is an old story in the capitals of Europe, but, speaking as one reporter, I hope to God it does not mark the beginning of a new period in the history of American journalism.

CONCLUSION

In contrasting the attitude of the press toward Congress with its attitude toward the Executive I have had a reason and a purpose. We are now witnessing the first stage of the most vicious and formidable campaign of propaganda ever waged against Congress. Of course, it is not confined to the press, although it would be impossible without the aid and acquiescence of the press. Congress is denounced for not "balancing the Budget," a subject concerning which, as John Maynard Keynes recently remarked, more tosh and nonsense has been uttered than any other since the discovery of America. It is denounced for investigating too much, for not investigating enough, for legislating too slowly, for legislating too hastily, and for legislating at all. It is accused of destroying the Government's credit—although the last issue of Government paper was oversubscribed nine times within 24 hours. It is charged with disrupting business, with keeping the country in suspense, and with deepening the depression, although I seem to recall that business was disrupted and a depression in existence before Congress convened.

Who is back of most of the propaganda? Why, the very multimillionaire morons whose unconscionable rapacity plunged the country into its present plight. And what, after all, is the burden of their complaint against Congress? Why, that it has failed in five months to restore the health of a Nation which they undermined for 20 years by sucking industry and agriculture dry of every drop of blood, and thus bankrupting the purchasing power of the consuming public.

That these vultures presume to berate and issue orders to Congress or anyone else can only be explained on the ground that their blindness and greed are fully equaled by their effrontery. I sat at the press table while HIRAM JOHNSON disclosed how the great banks and investment houses in five years unloaded on the American public more than $2,000,000,000 in foreign bonds that are now virtually worthless, yet a week ago some millionaire moron stood up in the convention of the United States Chamber of Commerce at San Francisco and alluded to the "serious disservice" which the Senator from California had done to the country. Less than a week after the Senate Committee on Banking and Currency had disclosed how a few of our self-constituted advisors had mulcted the public of more than $5,000,000 in a week by rigging Radio on the New York stock market a broker's letter appeared in the New York Herald Tribune stating that the stock market investigation, by undermining the confidence of the investing public, had become "a challenge to government." Talk about demagogues! This is demagoguery on a plane low enough to insult the intelligence of a baby chimpanzee.

Now, I am perfectly serious when I say that this drive against Congress, in my opinion, is the beginning of a general assault on representative government throughout the United States. A writer in one Washington paper already has commented complacently on the early prospect of a Federal dictatorship composed of what he was pleased to call "the leading minds of finance and industry"; in other words, of the very men who reduced the Nation to its present state of wretchedness. Another hints incessantly at the desirability of organizing local vigilance committees to take over the functions of civil government during the coming winter, and, I presume, to relieve the condition of the unemployed by shooting them before they can starve to death.

Nor am I alluding to such journalistic hoodlums as the Chicago Tribune. These references are to newspapers which pretend to be temperate and responsible. There are a thousand signs of approaching attempts by powerful private elements to usurp the powers of legally constituted authorities and to administer them under the guise of a state of emergency.

I shall not attempt to forecast the attitude of the press at such a crisis, but the omens in the eastern press are not encouraging. As to the press of Oklahoma, there are solid grounds for hope. To my knowledge there are men in this room who have risked their lives more than once in defense of free institutions. It does not seem reasonable to believe that they can now be corrupted by the subtle sophistries of supple men who are seeking to pervert the press and sabotage the Government for their own ends. The proverb that "Eternal vigilance is the price of liberty" was never more valid or in direr need of attention than it is now. To exercise that privilege is the highest function of an honest and independent press. I beg you to exercise it unceasingly during the months to come, for if the press fails history will surely record 1932 as the black year of American democracy.

ECONOMIC RECOVERY

Mr. BROOKHART. Mr. President, I ask leave to have published in the RECORD an address delivered to-day by W. Jett Lauck, economist, of Washington, D. C., at the Institute of Public Affairs of the University of Virginia.

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

THE RÔLE OF THE GOVERNMENT IN ECONOMIC RECOVERY

It is difficult for the mind to grasp and form a realistic picture of the extent of property loss, unemployment, and suffering which have developed in the country during the past two years as the result of the existing depression. Our policy, also, of inaction as to fundamentals—of leaving industry and humanity largely to the devastating forces of attrition, in the vain hope that confidence would be restored and the depression would work itself out—is also extremely difficult to comprehend. There is now open revolt against the continuance of such a policy, and the demand for positive action can not longer be denied. If this demand is not soon met in a sound way, political and economic revolt is inevitable.

If constructive measures for remedying the depression and for bringing about a revival in business and industry must be considered, it is clear that any program which we, or any other group of individuals, may accept as a solution for the indescribable conditions of the present time will be conditioned upon the fundamental basis of our economic thinking. If we are adherents of the old classical school of economics, upon which the orthodox and conservative economic reasoning of to-day has been built, we would assume that man as an economic being, or, as engaged in the pursuit of a living or of wealth, is primarily animated by self-interest and in the free and unrestricted interplay of such competitive interests the greatest good and happiness to the greatest number will ultimately result.

From the viewpoint of such reasoning, we would look upon the present unemployment, suffering, and destitution of our people as the outcome of the infraction of inexorable economic law. We would acknowledge that the unemployed of all classes in industry and commerce were the residual sufferers from the present depression, but we could not adequately minister to their despair or afford them economic comfort. We would be forced to say that we would vote billions of dollars to capital to prevent banking, railroad, and general industrial insolvency and to restore confidence. We then would reduce the wages of those who still were employed. This, we would assert, would enable industrial and transportation corporations to meet the interest on their funded debt, and also reduce costs and lower prices. Lower prices in turn would attract purchasers of goods. Increased consumption of goods would mean greater opportunities for employment, and as time goes on, in due course, all of those now unemployed will be able to return to work.

This is the traditional and conventional banker way out of the depression. It is the way that the majority of our industrial, financial, and political leaders have been and are now taking. Humanity may be the residual sufferer and there must needs be "blood-letting" from it all, but it is better so, it is claimed, than to violate the alleged laws of economic progress.

There is a different viewpoint, however, which is put forth by another group of economists. This group lays down as its funda-

mental basis of economic reasoning the principle that the pursuit of wealth should not be entirely selfish, but that it should be softened by the higher standards of ethics and religion, and by considerations of humanity. Man, it holds, does not exist for industry but industry for man, or, again, that man should not serve machines, but that the use of machinery should be subordinated to human welfare. Humanity, in other words, instead of being considered the residual sufferer from industrial dislocation or mismanagement, is looked upon as a first charge upon industry. If industry does not pay its employees enough and can not afford continuity of employment to them, it should be condemned as antisocial, and thereby subject to such measures of public regulation and control as to bring its operations into harmony with human and democratic standards.

THE CRITICAL CHARACTER OF THE PRESENT SITUATION

So much for the conflict in fundamental viewpoints. As regards the seriousness of the present situation, exaggeration is hardly possible. The fact is, and it is a fact which is known and discussed, at least in private by all informed persons, that our whole industrial system faces the possibility of complete collapse unless measures of the highest statesmanship are taken within the very near future.

It is difficult, and it is unpleasant, to talk of such things. It is much easier to accept a surface optimism and say our troubles are merely temporary, that in a little while business will pick up and everybody have a job.

Such an optimism is understandable—it is always so much easier to hope than to do—but it is not worthy of men and women in positions of high responsibility. It was excusable, perhaps, even a short time ago, when it seemed incredible that this great and successfully operating industrial machine of ours could have any really serious flaws which a little patching would not mend. Now we know differently. We know that there is something fundamentally wrong. We know that there are in operation certain hidden forces which are not only mocking us but which may ultimately destroy us unless we, on our part, display infinitely more intelligence and breadth of vision and courage than we have thus far displayed.

These statements may seem radical; but as a matter of fact, they are rather mild paraphrases of the utterances of some of the most conservative industrial, political, financial, and academic observers of this and other countries. They also undoubtedly represent the real thoughts of thousands of other persons of conservative and well-formed judgment, whose positions make them hesitant in expressing their actual views.

The menace of existing conditions is nowhere more forcibly expressed than by Justices Brandeis and Stone, of the United States Supreme Court, who, in a recent opinion, declared that:

"The people of the United States are now confronted with an emergency more serious than war. Misery is widespread, in a time, not of scarcity, but of overabundance. Some people believe that the existing conditions threaten even the stability of the capitalistic system."

Mr. Paul M. Mazur, of Lehman Bros., bankers, New York, an authority on economic subjects, and who recently addressed the institute, concludes that:

"Capitalism is unquestionably on trial. None of us who are advocates of capitalism can lightly disregard the disaster that has befallen the world. * * *

"* * * Social stability is endangered. Western civilization is in a tragic condition." (New Roads to Prosperity, pp. VIII, 3.)

Dr. Nicholas Murray Butler, president of Columbia University, in an address last year before the American Club in Paris, said:

"I can see nothing either in the causes or in the probable effects of the present economic and financial situation at all comparable to those depressions which are recalled to the American mind by the naming of the years 1857, 1873, 1893, or 1907. * * *

"The period through which we are passing and which it is so difficult fully to explain is a period like the fall of the Roman Empire, like the Renaissance, like the beginning of the political and social revolutions in England and in France in the seventeenth and eighteenth centuries. * * * it certainly resembles them in its epoch-marking character." (America Faces the Future, pp. 11–13.)

David Lloyd George, from a long life of public action and economic experience, both in war and peace, begins his latest book in part by saying that—

"Words such as 'disaster,' 'ruin,' 'catastrophe,' * * * now point to the bankruptcy of great nations, * * * to 'capitalism bewildered and impotent amid the devastation of the industrial and financial system it has set up but failed to control.'" (Truth About Reparations and War Debts, p. 1.)

President Glenn Frank, of the University of Wisconsin, in his recent work, Thunder and Dawn (p. 178), quotes Montagu Norman, governor of the Bank of England, as he watched western finance and western industry flounder toward crisis, as writing Clement Moret, governor of the Bank of France, that "unless drastic measures are taken to save it, the capitalistic system throughout the civilized world will be wrecked within a year. I should like this prediction to be filed for future reference."

Sir Arthur Salter, former director of the economic and finance section of the League of Nations, warns us that—

"If we are to avoid a period of misery and disruption which may threaten the fabric of our present civilization, we need a renewed effort of searching analysis and constructive reform in our western world." (Recovery: The Second Effort, pp. 8–9.)

Sir George Paish, another British publicist and financial authority of outstanding rank, declares that—

"The existing situation is without precedent. * * * It is a great catstrophe that can not be overcome without the cooperation of all nations, great and small. * * * It is not the wreck of a single nation that is involved; it is the wreck of a world. Universal bankruptcy accompanied by universal revolution will place in jeopardy not merely civilization but life itself." (The Way to Recovery, p. 159.)

These citations represent an excellent cross section of present-day opinion on the part of those best fitted to pass judgment. They indicate conclusively the menacing character of the present situation and the immediate need for constructive governmental action. They could be fortified by innumerable illustrations of the evils already upon us—a quarter or more of our working population in complete idleness, the degradation of millions of American families, the failure of relief measures, the virtual bankruptcy of many communities, evidences of acute social unrest, the growth of communistic ideas and radical revolutionary movements, and the deadening fear which is gripping a large portion of our population.

It is unnecessary to elaborate, however, on specific illustrations of these present evils. However terrible, they might be weathered by the usual relief means if they were no more than the results of what in the past might have been referred to as an ordinary business depression. But it is clear that this is no ordinary depression. It is a catastrophe, marking the end of an epoch and one requiring unprecedented action.

How can a complete breakdown be averted? Certainly not by relief measures, however excellent in themselves. Certainly not by mere waiting. We need new ideas and the willingness to try new, and possibly heroic, measures. The American capitalistic industrial and financial organization is threatened by a collapse within and by Russian communism from without, and requires sound but enlightened guidance and direction. Unless we can throw off the old leadership and substitute for it men of vision and understanding, who will adjust our existing economic and political institutions to the new requirements of industry, humanity, and democracy, we may be forced ultimately to make the transition to a new era through indescribable human suffering and property losses.

CONDITIONS IN AMERICA ARE WITHOUT PRECEDENT

The most significant fact which confronts us to-day in America is that there are certain fundamental aspects of the present depression which are unique, and which differentiate it from all the panics and depressions which have gone before. Prolonged depressions in the past, such as those which followed the breakdowns of 1873 and 1893, have occurred only when apprehension existed as to the maintenance of a gold standard of payments. In other cases, there was always present the possibility that good agricultural crops attended by profitable prices, or, the correction of some adverse condition abroad, such as the termination of the Napoleonic and other wars in the early part of the nineteenth century; the recovery from the widespread disaster following the Baring failure in England in 1890; or, the development of new industries or hitherto unexploited resources in the United States—these factors and grounds of hope always existed in former years. Even as recently as the 1907 collapse, an agricultural change a year later made a quick turn toward normal conditions possible, and the recovery from inflation and prostration of industry in 1921 was rendered possible by a postwar building shortage, together with an unusual demand for credit and commodities for postwar rehabilitation abroad.

Actual and potential capacity of most of our basic industries, however, have been developed since the war far beyond our normal requirements. As to the possibility of an outlet in foreign markets, we are confronted with abnormal conditions, attended by political, industrial, and commercial dislocations and subnormal consumption throughout the world. Probably half the world since 1929 has been or is torn asunder by civil war or by political and economic revolt—as in India, China, and Central and South America. Other great nations, as England and Germany, are in the throes of industrial depression and on the verge of financial collapse. Our only opportunity for trade expansion abroad obviously lies in Russia, but there does not seem to be any prospect at the present time of Russian recognition and the possibility of exploitation of the untold possibilities of Russian markets.

ECONOMIC RESTORATION MUST BEGIN AT HOME

If it were not for the possibility of restoring normal conditions within our own borders, our situation as to production and unemployment would be indeed hopeless. It would be similar to that which began in England after the war and continues to the present day. As it is, however, 90 per cent of our total trade, when we are operating on a normal basis, is domestic. Less than 10 per cent of the total normal outlet for our products is in foreign markets. In contrast, Great Britain is dependent on foreign markets, and because of this fact has never been able to lift herself out of the depression and the unemployment which was inaugurated by post-war dislocations in her foreign trade. The same situation to a less degree is also characteristic of Germany, France, and other European countries.

Fortunately, in normal times we are in no such predicament. If, when we are operating normally in the United States, our population consumes more than 90 per cent of the products, as a whole, of our mines, mills, farms, and factories, what then have been the causes of our industrial and financial breakdown, of the inability of 40 per cent or more of our people at the present time to earn a living, and of the widespread development

of destitution and indescribable suffering among our people during the past three years? If we can answer this question properly and practically apply our conclusions, the way to economic recovery will be open before us. It will be necessary, therefore, to review the basic domestic causes of the existing depression in order to secure at the present time a basis of procedure for economic recovery.

HOW THE DEPRESSION DEVELOPED

On looking backward, it will be recalled that the period of depression which followed the industrial and financial breakdown of 1920–21 continued throughout the year 1922. The traditional policy of wage deflation and a general reduction in costs had been adopted in the attempt to revivify trade and industry and to restore prosperity to the country, but this procedure was without success. As a consequence, in the beginning of 1923, it was supplanted by a bold and radical change in industrial and commercial policy.

This new attitude was inaugurated by a group of public officials and industrialists who took issue with those who had adopted the fallacious program after the 1920 collapse of a "return to normalcy" in the sense of a deflation of wages and prices to a pre-war level. The country was urged to get its mind away from the notion that "pre-war wages and standards of living," as well as volume of business, would then be normal. "Normalcy," it was claimed, "would be a vastly higher and more comfortable standard than 1913." The leaders of the new order, therefore, advocated the elimination of waste from industry, the standardization of output, and the increased use of machines to extend mass-production methods and to reduce labor and other costs of production. Under these conditions, it was claimed that wage and salary rates might be indeterminately increased, higher standards of living developed, and, at the same time, labor and other costs, as well as prices to consumers, reduced, and generous margins of profits for industry maintained.

As the result of these revolutionary suggestions a period of unprecedented prosperity was begun and developed. Industrial leaders and financiers, as well as heads of labor organizations, accepted this new and enlightened and far-seeing attitude as to industrial policy. A new industrial revolution was thus inaugurated in the United States which became the marvel of the civilized world. In its significance it outrivaled the eighteenth-century industrial revolution in Great Britain, when steam power was first applied to new mechanical inventions and the factory system created.

THE FAILURE OF THE SO-CALLED NEW ERA, 1923–1929

All would have been well had our industrial and financial leadership made their practices conform to their widely proclaimed theories and principles. But the hope of a new industrial régime in which the gains of capital would be unparalleled and the welfare of humanity would attain to unprecedented heights, was destroyed by a short-sighted, and as it turned out to be, a misguided desire for immediate profits. This was due primarily to the so-called investment bankers or those financially responsible for the control of industry, who refused to adhere to and actually apply the avowed principles of the program.

In the first place, there was no element of stability; no planning for individual industries or for the coordinated activity of all industries.

Second, prices were reduced, bringing a gain in real income, but not to the extent which might have been done.

Third, wages and salaries were not advanced commensurately with lower costs and not in accordance with productive performance of the working forces or consumption demands.

Fourth, hours were not reduced to offset mechanical displacements and reduced employment.

Finally, a too large and unjustifiable proportion of output in the light of objectives sought—an increase in mass purchasing and consuming power as a condition to mass industrial operations and performance—was reserved for profits.

Disaster as the result of this shortsighted policy was, in the course of time, inevitable; but for several years accomplishments were amazing. Old industries were expanded and new supplementary industries and services were developed and absorbed the employees displaced by technological improvements in the more basic industrial undertakings. Late in 1927 and during the early part of 1928, however, portents of evil appeared to disturb this golden age. Decreased industrial and commerical activity produced a high degree of unemployment, followed for a time during the winter of 1927–28 by very acute conditions in many industrial and commercial centers. The most conservative estimates were that a maximum of 4,000,000 workers were unemployed during this period. The before-unknown phenomenon appeared and constantly grew in extent of larger and larger numbers of unemployed without any work or opportunities for work existing side by side with their more fortunate associates who remained employed at high rates of compensation. Pay rolls steadily declined along with the hitherto large volume of profits. In October, 1929, it was estimated that at least 2,500,000 persons were already out of work because of technological displacements.

THE STOCK-MARKET COLLAPSE AND LIQUIDATION

The productive gains from the new industrial revolution, which avowedly were to be used in the payment of higher wages and salaries for the purpose of increasing consumer demand and maintaining prosperity at a constantly accelerated rate, were thus diverted and absorbed into corporation income. Industry and commerce, therefore, in the absence of shorter hours and higher wages and salaries, was unable to take care of employees displaced by mechanization and other improvements.

Moreover, the improper and excessive profits which accrued in industrial and utility corporations were capitalized by investment bankers on the theory that they would be permanent, and the securities thus issued became during the period 1928–29 the basis for the most inordinate and insane speculative movement in the history of the country. When industry continued to slow down in July, 1929, due to the fact that employment and consumer purchasing power had not been maintained, as was the original understanding through shorter hours of work and higher rates of compensation, highly capitalized security values could no longer be maintained. In October, 1929, as everyone knows, stock-market speculative values collapsed and fictitious values disappeared.

THE BANKERS START AN AVALANCHE OF DEFLATION

This was distressing enough in itself had it been permitted to stop at this point. But it was not. Our leading bankers and financiers not only destroyed the alluring prospects of a new era for industry and humanity by refusing during the period 1923–1929 to abide by the constructive program as originally announced but, furthermore, after diverting and capitalizing the income which should have gone to wage and salary workers and securing immense profits from the securities thus produced, the bankers after 1929 supplemented their previous misguided and destructive procedure by the addition of another fundamental error to their previous procedure. In other words, when the stock-market crash came the bankers precipitated an avalanche of general deflation, which finally passed from their control, and which now, in the minds of conservative observers, threatens to destroy the long-cherished economic and political institutions of the American people.

In the latter part of 1929 inflated and fictitious security and real-estate values should undoubtedly have been deflated. Wage earners and salaried workers, and industry itself, however, should not have been deflated because they had never been inflated. As a matter of fact, during preceding years there had been a steady decline in prices, and wages and salary advances since 1921 had been very moderate. But those in control of our industrial, financial, and credit resources, taking their cue from what they considered similar industrial breakdowns in the past, decreed as a condition of revival reductions in wages, salaries, and prices, with the inevitable result that the demand for goods was further decreased, operating forces were drastically curtailed, unemployment and property losses grew by leaps and bounds, and the critical situation as we have it to-day was precipitated.

EMERGENCY MEASURES TO PREVENT DESTRUCTION

By the close of the year 1931 it was realized that emergency measures must be taken to check the avalanche of deflation which had thus been unwisely precipitated and which threatened to destroy everything in its path. A threefold plan of emergency action was therefore formulated, which Congress quickly cooperated in authorizing. The policies proposed and put into effect were, as follows:

1. The organization by the banks of the National Credit Corporation.
2. The revival of the former War Finance Corporation under the misnomer of the Reconstruction Finance Corporation.
3. The passage of the Glass-Steagall banking bill.

In April, 1932, the further effort was made to improve the banking situation, or to enable the banks to pay their debts to each other and to attain a position where they could extend credit to worthy business undertakings by having the reserve banks adopt a policy of open-market operations providing for the purchase of approximately $100,000,000 of Government securities each week for a period of six weeks or longer. All efforts to revive business through credit and currency inflation, however, having failed, recently committees composed of bankers and business men in the different Federal reserve districts have been organized to discover, if possible, productive and stimulating uses for credits.

NOTHING CONSTRUCTIVE FOR HUMANITY HAS BEEN ACCOMPLISHED

The beneficial effect of these measures, however, has been merely palliative and conserving or entirely negative. The widespread and unprecedented epidemic of bank failures has been checked, although there still exists great apprehension that it may break forth again in a critical form by the coming autumn. This reduction in bank suspensions has undoubtedly prevented additional losses to savings and other depositors and to stockholders. Hoarding by individuals and corporations has also to some extent been arrested although by no means cured. Railroad bond maturities have thus far been taken care of and the reserves of life-insurance companies protected.

The open-market operations of the Federal reserve banks up to the present time have had no appreciable effect. Moreover, no expansion of bank credit can be expected until bankers have some better basis of business stability and performance upon which to base their judgments. To anticipate anything else would be equivalent to thinking that bankers, because of the accumulation of idle funds, would stimulate business expansion by taking the risk of making bad loans. Neither can business be expected to borrow in a period of uncertainties as to prices and operating possibilities.

The net result of our emergency policies, therefore, has been merely to stop property losses, perhaps only temporarily, and in general to cushion down the devastating effects of a tragic and indefensible policy of deflation.

In the meantime, nothing by way of reconstruction has been accomplished. On the contrary, the volume of unemployment has steadily increased. The indescribable human effects of deflation and depression have been unchecked except for private philanthropy and the inadequate relief extended from the public treasuries of States and municipalities. Even these sources of relief, it is now generally conceded, have been practically exhausted, although the need is greater than ever before. Desperation has thus been engendered among all classes and constitutes a national menace.

During the present month a Federal relief measure has been considered by the Congress. In the light of estimated needs, however, this action constitutes merely a gesture of helpfulness.

During the session of Congress which has just closed unremitting efforts have also been made to authorize large outlays for public works in order to open immediate fields of employment for suffering humanity. No success was attained, however, until several weeks ago, when a small program for public works to the amount of $500,000,000 was authorized accompanied by a further authorization of $1,500,000,000 of credits to the Reconstruction Finance Corporation to be used for so-called self-liquidating projects. As such undertakings must needs be public or semipublic in character, the prospect of any really stimulating effect on industry and employment is not encouraging. It will be impossible for the Government, although authorized in a limited way, to make extensive constructive loans to private undertakings. It would be immediately confronted with the impossible problem of discriminating between competitive undertakings and commitments would in these circumstances be impossible. Moreover, private enterprises, unless there can be assurance of stability of prices, will not consent to borrow, unless, of course, the Government would protect them against loss from price fluctuations.

IMMEDIATE GOVERNMENTAL CONTROL OF INDUSTRY NOW NECESSARY

Unfortunately, through lack of heart and courage, effective constructive action to offset deflation has been so long delayed it is doubtful whether a public-building program covered by bond issues to the staggering amount of fifteen or twenty billions of dollars would now turn the tide of the depression. Public improvements would help start the wheels of industry moving, but more fundamental and radical action is now absolutely necessary. The time has come, and it has for a long time been inevitable, when the Federal Government must take control of private industry, start it into operation, and put the unemployed millions of the country back to work. The alternative is an economic and political debacle, for the reason that deflation of property and humanity has now passed the limits of endurance. Congress should not adjourn without taking action of this kind, and, if it does, it should be reconvened for the purpose of doing so.

Without governmental control, and a careful plan of industrial and commercial resumption and expansion, neither can a public-works program or any other plan, with or without the extension of governmental credits, be now expected to meet with success.

Industrial and commercial planning and control under Federal auspices are also essential if the credit extended to public and private corporations and private firms is to be self-liquidating. Large Federal credits without this constructive action will simply constitute another palliative followed by further losses, after which the crisis will be worse than before.

It is axiomatic that we must have purchasing power and confidence restored in order to break the depression. Already since 1929 we have lost through unemployment and wage and salary deflation the enormous sum of at least $30,000,000,000 in purchasing power. Commensurate losses have also been incurred in the disappearance or reduction of other forms of income, probably amounting to another $20,000,000,000 loss in purchasing power over consumption of goods. Total losses from deflation have been estimated at $150,000,000,000, or many times the cost to us of the World War.

It is clear, therefore, that to recover we must restore basic purchasing power. To do this people must be returned to work. It must also be shown, in order to restore confidence and consumption, that industrial and commercial operations and prices are proceeding, and will continue to proceed, in an orderly and assured way. Such a procedure only can make it possible for the banks to place our credit machinery in normal working order and for industrial leaders to overcome their fears and expand operations. To accomplish the ends, therefore, the extension of governmental credits must be conditioned upon a planned and stable domestic industrial program.

As has already been shown, there is not at present any additional outlets for our goods abroad. Exports to foreign countries for the time being can, therefore, be disregarded. To the extent to which they develop they will constitute an added safeguard to domestic stability.

Our domestic trade, however, as has already been pointed out, is normally 92 per cent of our total consumption. If we can restore domestic confidence and stability at home, the pathway to prosperity will be quick and easy of accomplishment. This can be quickly achieved through governmental action.

To do this the Congress should create for emergency purposes but at once two new Federal agencies:

1. A national emergency industrial stabilization board.
2. A national emergency advisory economic council.

The members of these organizations should be representative of industry, finance, commerce, and labor. They should be appointed by the President, subject to confirmation by the Senate. The national stabilization board should be authorized also to appoint subsidiary boards for all the basic industries, such as iron and steel manufacturing, coal, oil, textiles, etc. The method of organization adopted by the former War Industries Board may be used as a model.

DUTIES OF STABILIZATION BOARD

The duty of the stabilization board would be, with the advice and assistance of the economic council, to establish production schedules for our basic industries and to correlate their operation. This could be done conservatively at first by small advances over existing indices and gradually increased and more men put to work as the industrial organization got under way. By way of illustration, iron and steel manufacturing, one of our key industries, is now operating on a production scale of only about 18 per cent of normal.

The economic council and stabilization board, after a survey of the relation of other important industries to steel manufacturing, such as coal, automobiles, building construction, railroad equipment, etc., could raise the production of the mills and furnaces 20 per cent and those of coal, automobiles, building, etc., according to their normal ratio to steel manufacturing, and thus begin operations. As expansion got under way and the influence of the purchasing power from restored pay rolls began to be felt, production schedules of steel manufacturing and other plants could be again raised, and so on, until confidence and prosperous conditions would be restored.

All corporations, either public or private, and all persons and firms engaged in commerce and industry, in order to participate in the program thus inaugurated and to have the advantage of Federal credit, would be required to take out a license from the emergency stabilization corporation. Power to enforce this requirement should be made available by the Government's control of credit. National banks and the Reconstruction Finance Corporation or any other governmental financial agency, in other words, should be prohibited from making loans to any corporations, firms, or individual concerns which did not possess such a license.

This course of procedure as to industrial and commercial operations would not be based on arbitrary governmental action and decision by the emergency stabilization board. Orderly procedure would come from industry itself. Different industrial groups, through their associations and institutes, as in the plan proposed recently by President Swope of the General Electric Co., would be brought into conference, and price and production schedules worked out through common counsel. The governmental stabilization board would act only as an ultimate umpire and coordinating agency. Complaints should be freely and publicly heard, whether from consumers or producers.

The stabilization board should also be given power to exclude foreign importations which interfered with the domestic program.

In addition to the fact that this plan of reconstruction and revival is the only sound course to take, it will also eliminate the necessity for huge bond issues and extraordinary taxation. Moreover, it should be borne in mind that, should we adopt other temporizing measures to start business resumption, we shall eventually be compelled to take the course of stabilization and restoration which has been outlined. It is absolutely essential to an orderly return to prosperity and to the maintenance of stability in employment and business activities. It is the only sound policy also by which our banking and credit machinery can be again brought effectively into play. After a short period of operation along these lines, it would probably be unnecessary for the Reconstruction Finance Corporation to make further loans, as there would be a sufficient demonstration of successful performance to cause the banks to desire to compete with each other in extending credit.

Our basic industries are now without power to control production and prices. Without such power, they can not, even under normal conditions, plan properly for continuity and stabilization of operation. Neither can they under present conditions of depression and extreme liquidation and price fluctuations start the wheels of industry again revolving unless authority to combine and to cooperate is given to them. General legislation, such as I have sketched, must therefore be enacted by Congress, so that industry and commerce may have an opportunity to resume operations and attain to permanent stable prosperity. Trade associations may then be formed, corporate mergers brought about, exemption from anti-trust laws granted, and industry given authority to control production and maintain prices under governmental auspices.

The intervention of the Government may be called "friendly cooperation," "supervision," "control," "regulation," or by any other term whether euphemistic or not. The significant fact is that such action is necessary. Far-seeing and sincere industrial statesmanship has already publicly acknowledged it as inevitable. Many measures are now pending before the Congress with this object in view.

Dissatisfaction with our competitive system, and the claim that industry could not function with stability and success under it, was strongly in evidence before the depression. Many suggestions along the lines of national planning and stabilization of industrial operations have also been put forward during the past two years, not only by those generally regarded as liberals or even radicals but from some of our most conservative business and political leaders as Gerard Swope and Owen D. Young, of the General Electric Co., the United States Chamber of Commerce, the Associated General Contractors of America; President Nicholas Murray Butler, of Columbia University; Paul Mazur, member of the banking firm of Lehman Bros.; National Civic Federation; the American Federation of Labor, and others. Legislation is now

pending before the Senate for the permanent stabilization of the bituminous coal-mining industry, which, when enacted, may become the model for the stabilization of lumber, copper, oil, and other natural-resource industries. It was and is now generally held that the maximum stimulus of individual initiative must be retained, but that a reasonable restraint of competition is in the public interest, and that industrial accomplishment in the future, even under normal conditions, is dependent upon stabilization and control under Federal supervision.

OTHER CONSTRUCTIVE MEASURES

In addition to a policy of stabilization and control of industry there are also certain supplementary measures which past experience has demonstrated to be necessary of adoption before the ideals and aspirations of our democratic and self-governing institutions can be realized.

In the first place, it was conceded even before the financial breakdown three years ago that a shorter work day or work week was essential to the maintenance of industrial stability and continuity. The mechanization of industry and the displacement of labor by machines had made it manifest that in order to prevent growing unemployment in the face of increased productivity the decreased opportunity for employment to labor—both by hand and brain and on the farm as well as in the mills and factories and on the railroads—must be more widely distributed by reducing the hours of work per day or per week. The principle of a 5-day work week should, therefore, be considered an essential part of an emergency stabilization program.

Secondly, it is also accepted by the most enlightened industrial statesmanship that the rates of pay, both to wage earners and salaried workers, must not only be maintained but when industry and commerce are again normally functioning, they must be steadily increased in accordance with the increased productivity of industry. It has been recognized, in other words, that the machine and mass production methods must be accompanied by a steady increase in mass purchasing power, or otherwise the new methods and processes of production can not be maintained. Expressed in other terms, this recognition means a constantly higher standard of living for the American people, a greater share in the national income and wealth, and a wider diffusion of economic and human well-being as an essential condition to the maintenance of profits and the continuity of industry.

UNIFIED COMMERCIAL BANKING UNDER FEDERAL CONTROL

Third, it is esential, in order to prevent bank failures and strengthen our entire banking system, that we should have legislation as soon as possible providing for the abolition of our dual system of State and national banks, and the establishment in its place of a unified system of commercial banking under Federal auspices. Trust companies, savings, investment, and mortgage banking should be restricted to State charters. The national banks should also be authorized to establish branches irrespective of State lines.

Banking in its development has not kept pace with business and industry which have organized along national lines. Banking has remained local and individualistic. Its lack of integration has made it unable to stand up against abnormal industrial conditions. Our dual system has also prevented proper supervision and development. Its unification and the expansion of branch banking will enable it to withstand abnormal conditions, eliminate the predominant influence of investment banking, stop the existing, artificial concentration of credit in New York and other cities and enable it to better serve and adjust itself to the requirements of commerce, business, and finance.

The Federal Reserve Board is now on record as officially advocating the unification of commercial banking under national control.

FEDERAL REGULATION OF INVESTMENT BANKING

Finally, and no consideration is of greater significance and importance, it should be especially borne in mind that there can be no real attainment of prosperity among our people until the investment banker—so called—is brought under Federal control and subordinated to democratic institutions and ideals. This amounts to stating in a formal way what the elder Lindbergh fought for in the Congress 20 years ago under the movement of "control of the Money Trust," and which the immortal Woodrow Wilson later advocated as an essential preliminary to the realization of "The New Freedom."

Until this is done, our self-governing institutions, as well as the industrial freedom and the economic welfare of our people, will be a mockery and a delusion. This "invisible government" which bases its power upon the concentration and control of money and credit, absorbed the gains of our prosperity during the period 1923–1929; it also dominated our Federal Government and its policies since 1920. It has also formulated and determined our inhuman and undemocratic depression policies since 1929; and it is now expecting to hold our destinies within its grasp when prosperity returns.

Moreover, the confidence and support of investors toward a reconstruction program can not be obtained until this invisible government of which the investment banker is the outward manifestation is brought under democratic control. The investment banker is in discredit throughout the country at the present time, and the rehabilitation and control of this branch of banking is essential to future progress and the proper diffusion of our national earnings and other income.

If there is one conclusion that is clear and irrefutable from a study of the causes of the unprecedented industrial and financial tragedy which is now upon us, it is that so-called investment banking institutions of all forms—whether private banking houses or so-called banking affiliates of commercial banks in New York, Chicago, and other cities—should be at once required to take out national charters and be brought under strict Federal supervision. Until this is done, and this class of financial institutions are actually subordinated to our self-governing democratic institutions, there can be no real assurance in the future of a proper and reasonable degree of participation of all classes of our population in the output of industry.

The best method for attaining this end would be through the creation of a Federal investment banking board, which, as in the case of the Federal Reserve Board, would be financed by levies upon members of the investment banking system, and composed of five members, without investment or other banking connections, to be appointed by the President and confirmed by the Senate.

All investment banking institutions engaged in initiating or marketing stocks, bonds, and other securities, whether persons, firms, partnerships, or corporations, should be required to apply for a charter to the Federal investment banking board and submit to its jurisdiction. The board should have authority to lay down the standards, methods, and practices which should be followed by investment banking institutions. Provision should also be made for holding investment banks legally liable for the facts contained in the prospectus or declarations put forward in connection with securities offered for sale.

The requirement should also be made through congressional action that all new security issues or flotations must first, before being offered for sale, be submitted to the board for its approval. No corporate reorganizations, mergers, or consolidations should become operative without the sanction of the board. All underwriting and distributive arrangements—fees and commissions—should also be required to have the board's approval.

COURAGE AND BOLDNESS NECESSARY

The procedure and action necessary to bring about economic recovery are thus known and are tacitly accepted by many of our farseeing leaders in Government, industry, trade, and finance. Courage alone is lacking to face the facts and to take the necessary steps toward revival. This is all the more tragic because many of these same leaders, along with enlightened students and observers of present-day economic and political trends, realize that these "necessary steps" are ultimately inevitable.

Why then do we hesitate and falter? Why do we accept a philosophy and a procedure of despair? Why do we give ourselves to a policy of human attrition and suffering, which we know is hopeless, and which we realize will be followed by even more unspeakable human distress and suffering, inevitably culminating in an economic and political debacle, possibly attended by drastic, destructive revolutionary upheavals?

The answer to these questions is that while many of our leaders have eyes but see not, others, who are more discerning, see before them something which men have not had to face before. It is not an unpleasant prospect but it is an entirely new one. It is the outcome of a hundred years of economic development, intensified by the unprecedented industrial revolution of the past five years, upon which have been superimposed the results of a war which shook the commercial and financial world to its foundations.

To face the problem which this situation presents indeed requires unusual intelligence and courage. To be practical and effective about it means that we must cast aside assumptions and philosophies which we have treasured—"laissez faire," "competition," "rugged individualism," and others which may have served us well and which we may hold dear but which can have no potency in the present day.

The leading financiers, publicists, and statesmen of the world realize and openly acknowledge the situation which confronts us. It is also realized and talked about in America. We know that we can not and should not longer hesitate. We are fully aware that we should cease to play with the phantoms of hope which emanate from the past. Perhaps it is our national vanity that causes us to falter. We hesitate to turn our faces away from the old shibboleths which made us great and prosperous. It is a natural hesitation. But still, if we would preserve the wealth and add to the greatness which the old slogans produced, we must unflinchingly face the new conditions which are before us. One of the greatest sayings of Emerson is to be found in the declaration that "He that would be great, let him be a nonconformist," and likewise Justices Brandeis and Stone have recently declared in a dissenting opinion in the New State Ice Co. case that in meeting the problem of the present day "If we would guide by the light of reason, we must let our minds be bold."

We may go on with old irrelevant and worn-out theories and policies attended by indescribable human suffering and incalculable losses, culminating possibly in a debacle, to a condition where temporary stability may be attained, but after another short period under the old order of procedure calamity will befall us again. Why not therefore straightforwardly face things as they are? The old foundations of individualism and competition have been destroyed by the new industrial revolution and by its mass-production methods and processes, which began in 1925 and reached an untimely and misguided end in 1929.

If we abandon the old and obsolete slogans and assumptions and frankly build upon the basis of the new economic developments in industry and commerce, we can put the existing depression behind us and inaugurate a new economic and democratic era which will be more stable and profitable than our past accom-

plishments, and which will be much more acceptable from the fundamental standpoint of the economic and human well-being of all classes of our people.

Complete economic recovery is also, of course, dependent upon a proper adjustment of our relations with other nations. This means the acceptance of the principle of the interdependency of nations, the elimination of tariff barriers and other arbitrary interferences with international trade, the cessation of exploitation of backward peoples, the reduction of armaments as the price of cancellation of war debts, the membership of the United States in the League of Nations, and our entry as a positive moral and cooperative force into world affairs. We must consecrate ourselves to these external objectives; but in my discussion I have confined myself wholly to internal economic recovery, for the reason that, before all other things, it is essential that we first put our own house in order.

PROHIBITION—CONSTITUTIONAL AMENDMENT

The Senate resumed the consideration of the motion of Mr. GLASS to take from the table Senate Joint Resolution 202, relating to the repeal or retention of the eighteenth amendment.

Mr. GLASS. Now, Mr. President, to repeat, unless this joint resolution is to be taken from the table upon my motion for immediate consideration I do not desire to enter into a discussion of the merits of the proposition further than to say that it carries out in large measure the declarations by both political parties in national convention assembled. The Republican Party at Chicago advocated in its platform the prompt submission of the question of repeal or retention of the eighteenth amendment, with certain constitutional reservations. The Democratic platform at Chicago advocated the submission of the question of repeal or retention, without any particular constitutional reservation. However, Mr. President, both platforms very definitely declared against a return of the saloon and against the interstate shipment of intoxicating beverages from wet States to dry States in the event of the repeal of the eighteenth amendment.

I submit that it is literally an impossibility to have this question submitted by verdict of any one political party. It requires a two-thirds vote to submit the question at all, and but once since the reconstruction era has any political party had two-thirds majority in both branches of Congress. So I may say to those who want an unqualified repeal of the eighteenth amendment as well as to those who want submission of repeal with constitutional reservations that neither side can get what it wants unless we shall embrace in the proposed action those things advocated by both political parties.

It is my considered judgment that if we now take up and pass this joint resolution we shall have very largely, if not completely, eliminated from the pending campaign a bitter controversy over the question of prohibition which will submerge a discussion of the great economic issues upon which the campaign ought to be projected and conducted. I am ready for a vote on the proposition, and I ask for the yeas and nays.

Mr. NORRIS. Mr. President, I wish to say just a word about the pending proposition. We have before us a proposed amendment to the Constitution. It has never been referred to a committee; it has never been given any consideration by any committee of the Senate. It proposes to amend the Constitution of the United States, the fundamental law of the country. That statement, Mr. President, ought to be sufficient, it seems to me, to cause every Member of the Senate to vote against the pending motion which, if it shall be adopted, will bring before the Senate for its official consideration this proposed amendment. The amendment even proposes to put into the Constitution a definition of a saloon. I do not believe that any student can carefully consider this matter and feel that we ought to take a step like this, important as it is, without even having the proposition considered by a committee.

The argument mostly made by the Senator from Virginia [Mr. GLASS] is that, in one form or another, both political parties are in favor of some step of this kind.

Mr. FESS. Mr. President——

Mr. NORRIS. I will yield in just a moment.

To my mind, that is not a logical reason for amending the Constitution; certainly it is not without having the proposal receive some consideration and go through the formalities as provided by the rules of the Senate. Even if both of the great political parties had agreed to this amendment in the identical form in which it is presented, I can not believe that a student of government would say it therefore becomes the duty of Congress to submit it in that form without having it submitted to a committee, without having an opportunity for anybody to be heard. I now yield to the Senator from Ohio.

Mr. FESS. The Senator has expressed my view exactly. If the two political parties had agreed identically, it would have very little effect on my vote here, at least until the election had been held and the people had expressed themselves on the respective platforms, and even then I should want to send the proposal to a committee to be worked out and reported back to the Senate.

Mr. NORRIS. Of course, it is perfectly proper for any political party to take this side or that side or no side or both sides of any proposition if it wants to, but I do not believe that Congress, even though all political parties agree on any proposition, are in any way bound to take what is suggested offhand without any hearing, without any committee consideration, and pass it. If we are about to enter upon amending the Constitution of the United States by unanimous consent, then this is a pretty good matter on which to start; but I do not believe it has ever been attempted before. I do not care, Mr. President, to take up the time of the Senate. It is up to the Senate. If they want to amend the Constitution in that way, why, it can proceed to do so.

However, neither party has agreed to this proposed amendment in the form in which it is now presented. To my mind, it would not make any difference if they had both agreed to it in this identical form. We have already heard from Members of the Senate on both sides of the Chamber who have said they are not in harmony with what their party did on the prohibition question, and that it is not binding upon us in any way. Even if the action taken by the party were expressed in the form of the joint resolution, it would not have any control on my vote. I call attention to the fact that Democratic Senators have said, "I am not in harmony with what the party did on the prohibition question," and Republicans have said, "I am not in harmony with what the Republican convention did." So, after all, to give it the greatest weight we possibly can, it seems to me it is at least of a very diminishing character.

Mr. ASHURST. Mr. President, I have long been a member of the Senate Committee on the Judiciary and literally have sat at the feet of such lawyers as the Senator from Nebraska [Mr. NORRIS], the Senator from Idaho [Mr. BORAH], the Senator from Montana [Mr. WALSH], and the Senator from Utah [Mr. KING]. It has been a privilege and an honor to be a member of that great committee during the past two thrilling decades, and it may be offensively presumptuous for me to differ from the chairman of the committee, the Senator from Nebraska. Whenever I am in doubt I yield that doubt to his judgment, and he has never led me far astray (laughter) in 20 years. I do not agree with him, however, at this point. I may be old-fashioned; if, so, it is an epithet I willingly acknowledge, but I believe in the faithful observance of party platforms.

I was not a delegate to the Democratic National Convention, just held at Chicago, but I am loyal to that platform. I believe that public men are bound and ought to be bound, except in matters of conscience or in matters of the Constitution, by their party-platform promises.

I said early this week, and I repeat, that the joint resolution proposed by the Senator from Virginia is one of the happy "hits," if I may be pardoned that——

Mr. KING. Alliteration.

Mr. ASHURST. That alliteration and that descension into slang—one of the happy hits of the times. It is a fair, honest, real attempt to comply with the Democratic national platform and is as near an approach to compliance with the Republican platform as may be made.

Our countrymen generally are beginning to suspect that public men view their own platforms and their political

promises cynically. Our countrymen are beginning to suspect that we seem to think our platforms are made to "get in" on and not to stand upon after we are in.

Mr. President, I am no new convert to the doctrine of standing faithfully by the platform of my party. In 1912 in the Democratic national convention the Democrats wrote into their platform a plank promising free transit of American vessels through the Panama Canal. Within a few weeks after that platform was written the question of free transit for American vessels came up in the Senate and some learned Senators on this side considered the advisability of violating their platform. New as I was here, and fresh as I was in the Senate, I took from my desk the Democratic platform and put it before them and said, "You are in honor bound to vote for free transit for American vessels through the Panama Canal"; and the free-transit provision was written into the 1912 law.

It is true that later a President whom I revered saw fit to reverse himself upon the question of free transit, and executed a volte-face. I did not execute a volte-face. Although the most terrific pressure ever exerted upon me was exerted by my own President and by his Cabinet to induce me to vote against free transit, I stood for the Democratic platform promise and am to-day vindicated.

Mr. WAGNER. Mr. President——

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

Mr. ASHURST. I always yield to the great lawyer from New York [Mr. WAGNER].

Mr. WAGNER. I thank the Senator. I was going to ask him whether or not he thinks it is necessary to put into the Constitution a power which now exists—for instance, for the prevention of transportation into a State of intoxicants. The Congress may prohibit such importation into a State now, under a law like the Webb-Kenyon law, already passed. Is it not rather out of harmony with our conception of a fundamental law to put into the Constitution all these different statutes which the Congress now has the power to enact?

Mr. ASHURST. I said that I yielded to the great lawyer from New York; and his question has justified my complimentary reference to him, and has evidenced that he is a great lawyer. This, however, is a practical proposition. In public life you are sometimes on roller skates. You sometimes go partly where the skates take you and partly where you would like to go. It is either the provision of the Glass amendment or retain the status quo. Every man who indulges in reflection knows that it is surely some provision of this kind suggested by Senator GLASS or keep the status quo.

Take your choice.

Mr. WALSH of Massachusetts. Mr. President——

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

Mr. ASHURST. I now yield to the great lawyer from Massachusetts.

Mr. WALSH of Massachusetts. Some of the Members of the Senate very much favor a constitutional amendment providing merely for a flat repeal of the eighteenth amendment alone. The Senator from Arizona comes from a dry State; at least, it was dry until the Democratic convention. I inquire from him if, in his opinion, it is possible to get the Members of the Senate from dry States to support a constitutional amendment that provides merely for the repeal of the eighteenth amendment.

Mr. ASHURST. I do not believe it is within the domain of possibility to get two-thirds of either House to vote for the bare flat repeal of the eighteenth amendment unless you protect the dry States.

Mr. WALSH of Massachusetts. Then it is the Senator's opinion—and I assume he has conferred with the Senators who represent dry States—that it is absolutely impossible for any form of constitutional amendment to be adopted in the immediate future repealing the eighteenth amendment other than that proposed by the Senator from Virginia providing for the nonreturn of the saloon in conjunction with the declaration of flat repeal?

Mr. ASHURST. In reply to the Senator, I do not arrogate to myself any knowledge superior to that possessed by other Senators; but it is my opinion that the requisite two-thirds can not be secured in either House, nor can the requisite 36 States be secured, for a bare flat repeal of the eighteenth amendment unless and until assurances are given that there will be no return of the saloon and that the dry States shall have the Federal arm and Federal authority to protect them in their policy and polity of dry laws.

Mr. WAGNER. Mr. President——

Mr. ASHURST. I yield to the Senator from New York.

Mr. WAGNER. Do not these very States trust Congress now to provide for our national defense and for our administration of justice? Can not the same Congress which has those great questions for disposition be trusted also to protect, by legislation, the dry States from liquor invasion?

Mr. ASHURST. There is a psychological question here. I should apologize for using that overworked word "psychological," but I think of no substitute at this time. The Congress, if it had delegated to it the power to deal with the liquor question, without any constitutional limitations, would be constantly besieged by various elements of excellent people to change the law here, and to vary it there. It is my opinion that the required number of States will not ratify this or any other amendment dealing with prohibition unless assurances are given that the Federal arm will be ready to protect and defend those States that choose to remain dry.

Mr. GLASS. Mr. President——

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

Mr. ASHURST. Of course I yield to the author of this amendment.

Mr. GLASS. I do not believe in dealing with this question in an academic way. I propose to deal with it in a practical way. The Republican Party, in national convention assembled, has deliberately and solemnly declared that it is opposed to submitting the question of repeal or retention of the eighteenth amendment without constitutional reservation.

Mr. ASHURST. Absolutely.

Mr. GLASS. That being so, if we were to consider the impossible circumstance of having every Democrat elected to both Houses of the Congress in favor of a bare repeal, we would still lack the two-thirds vote to submit the question at all.

Mr. ASHURST. Precisely.

I pause here long enough to pay a compliment to the scholarship of the Senator from Virginia and to his skill in drafting statutes and constitutions. Not since James Madison was a Member of Congress has Virginia sent to the National Congress a man so skilled in the draftsmanship of constitutions and laws as the junior Senator from Virginia. He doubtless read his party's platform before he drew this amendment; and the platform says, reading in part:

* * * effectively prevent the return of the saloon.

Some people—not Senators, of course—have inquired, "What is a saloon?"

The saloon is not a hotel. It is not a home. I doubt if there be a thoughtful person in the United States who needs to be told what a saloon is; but, since a few may not know, I shall say that if they will consult the dictionary—a book, by the way, worthy of daily perusal—they will see that in the French and in the Italian—and they spell it with one "o"—saloon means sometimes a gallery of art and sometimes a place of refreshment where meals are served; but you will note in the dictionaries that all of them say, "As used in the United States, it means a place where intoxicating liquors are sold and drunk on the premises and where neither meals nor lodgings are regularly served."

There is not a justice of the peace in our land who would be in doubt as to what the word "saloon" in America meant. In other words, I would define a saloon to be a

place where neither meals nor lodgings are served, but a place where intoxicating liquor is sold and is drunk perpendicularly. [Laughter.]

Mr. President, I do not need to speak long here or elsewhere to say what a saloon means. The American people are determined that the saloon shall remain outlawed and they know what a saloon is if we do not. I pass on to other matters, or, at least, to parts of this proposed amendment that might be considered complex, but which I do not believe to be complex.

(At this point a message was received from the House of Representatives, which appears elsewhere in to-day's RECORD.)

Mr. NORBECK. Mr. President——

The VICE PRESIDENT. Does the Senator from Arizona yield to the Senator from South Dakota?

Mr. ASHURST. Certainly.

Mr. NORBECK. The House has just transmitted to the Senate the announcement that the House disagrees to the remaining Senate amendments to the home loan bill, one of them being the so-called inflation amendment. I ask that the Senator yield while we take up the conference report.

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

Mr. ASHURST. I assume that it will lead to no debate. I yield for three minutes for that purpose, and no longer.

Mr. BORAH. Mr. President, it will take more than three minutes.

Mr. ASHURST. Then I can not yield. I do not think the Senate could patiently wait longer than three minutes for the remainder of my speech.

This amendment to the Constitution proposes that it shall be inoperative unless it shall be ratified within seven years. That is fair. That is just. We set that precedent in the eighteenth amendment. We stipulated that that amendment should not be operative unless ratified within seven years. We did the same thing in the case of the so-called "lame duck" amendment. The country is entitled to have a time limitation placed on these proposed amendments, so that we will not have a number of them floating about in the clouds, in nubibus, that any legislature 40 or 50 years after the submission might take up and ratify. Indeed, in 1789, 12 amendments to the Constitution were proposed. Ten of them were ratified within exactly two years; and 84 years after the submission of the 12 amendments the State of Ohio considered 1 of the remaining 2 and attempted to ratify it. So the Senate, in my judgment, is proceeding wisely in setting a limitation of time as to when amendments may be ratified, so that a judgment on the question may be rendered within a reasonable time.

One other question, and that is the question of submission to State conventions.

There is a departure in this joint resolution from those amendments that have been submitted prior to this time. Of course, the original Constitution was submitted to conventions. All the other amendments were submitted to State legislatures. This proposed amendment is to be submitted to conventions not of but "in" the several States—a wise provision.

It is true that in the case of an amendment submitted on March 2, 1861—the so-called Corwin amendment, prohibiting any interference with slavery—two States, Ohio and Maryland, ratified that amendment through their legislatures. One State, Illinois, attempted to ratify it by a convention. There was a constitutional convention in session at that time, called to revise the constitution of the State of Illinois. That State convention declared that it was a legislature and attempted to ratify that amendment, although the leading lawyers in that constitutional convention declared that they were not a legislature. So, with that one exception—which is only an apparent and not a real exception—all the amendments have been ratified by the legislatures of the States instead of conventions "in" the States.

I am in favor of the convention plan, because a direct expression of the people may then be had upon the question.

Congress may submit an amendment for ratification by the legislatures "of" the States, or Congress may, if it choose, submit an amendment for ratification by conventions "in" the States, but the States must ratify in the mode prescribed by Congress.

Again I compliment the Senator from Virginia [Mr. GLASS] upon his courage, his statesmanship, and his scholarship in preparing this amendment.

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Chaffee, one of its clerks, announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 12280) to create Federal home-loan banks, to provide for the supervision thereof, and for other purposes, and that the House still further insisted upon its disagreement to the amendments of the Senate numbered 46 and 47.

HOME-LOAN BANKS

The VICE PRESIDENT laid before the Senate the action of the House of Representatives agreeing to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 12280) to create Federal home-loan banks, to provide for the supervision thereof, and for other purposes, and still further insisting upon its disagreement to the amendments of the Senate numbered 46 and 47.

Mr. NORBECK. Mr. President, the question of this Glass-Borah amendment to the home loan bank bill has been before the conference committee for some time. The Senate favors this mild inflationary measure. The House is opposed to it; they favor the Goldsborough bill, which I would have gladly accepted—in fact, I felt it was better, but the Senate has decreed otherwise.

Twice has the Senate taken a firm position. Twice has the House taken the opposite position. We are informed by the House members of the conference committee that to insist further would be futile and would probably result in the defeat of the bill, including the amendment to which I have referred. But I am seeking again an expression on the part of the Senate on the question, and to bring that to a head I am reluctantly going to move that the Senate recede from its position. The House has been adamant on this and other matters, and the Senate has frequently had to recede. Maybe we will have to do it again.

I realize the Members have been here since last fall. They are worn out. They are worried about things at home and things in Washington. They are impatient; they are almost irritable; and if it is impossible at this time to bring about an inflation, we will have to take it up when Congress reconvenes in December.

During this long session Congress has passed measures to relieve bankers and to relieve railroads. The big fellows have been relieved. The relief to bankers was made in the hope that a great disaster could be averted. Time alone will tell whether Congress was right.

The agricultural question, which I think is the key to the whole business situation, has had scant consideration. In a Congress made up of over 500 Members I can not find 10 Members who have devoted 10 days each to this, the most pressing of all questions. I protest at this time against adjourning and going home. We should remain in session another month and pass the necessary farm legislation.

I will close my remarks by making the promised motion. Mr. President, I move that the Senate recede on Senate amendments 46 and 47.

Mr. GLASS. Mr. President, just a word of comment on the whole procedure in regard to this bill.

Here was a nondescript measure in which nobody believed, and at which everybody laughed here in the Senate for the greater part of this session. Yet, because it was advocated in a certain quarter, in my absence from Washington it was permitted to supersede one of the most important bank bills ever drafted and presented to a legislative body for consideration, a bank bill that was designed

to avert the conceded evils of the banking business in this country which brought us to this state of financial panic and depression.

From those who have decried and decried and decried this thing of government by bureau and government by commission comes this insistence to set up over the country another bureau, another banking bill, to undermine the legitimate commercial banking of this country; that is, if it were at all effective, which it would not be.

"Saving homes!" Senators have talked here in a pathetic tone about saving homes, in such fashion as that one was given to imagine that whenever a home was sold it disappeared from the face of the earth, that it was not a home any longer to be occupied by somebody else. In other words, if a man, through whatever fault of his own, becomes dispossessed of his home and some other man of a more thrifty type comes in possession of it, it is no longer a home, and we need a bill to build homes.

Aside from that, I assert again, although I was not responsible for attaching it to this bill, that the only thing of a really valuable nature left in the bill was this amendment proposed by the Senator from Idaho. It would give us, if properly operated, as undoubtedly it would be, a possible expansion of the currency of $994,000,000.

I have not stood here as an insistent advocate of the expansion of the currency. It has been attempted in a way that constitutes absolute folly, through the Federal reserve banking system, loading itself up with $2,000,000,000 of United States bonds, for not a dollar of which it had any use, and it has failed; it can not expand the currency in that centralized way.

I merely offered this proposition upon the insistence of those who said we must have expansion in order that we might have diffusion of currency, in order that the expansion might take place in every community in the United States where a national bank exists, rather than take place in New York at the whim or at the selfish interest of people up there.

The supposition that the House of Representatives really represented either itself or the people that it is supposed to represent in voting against this proposition is a conjecture that has no foundation in fact. Their whole opposition was grounded in resentment against the Senate because it would not take that idiotic Goldsborough bill.

While I want to get home as much as anybody else does, I do not want to get home just merely that we may enact into law this miserable, nondescript home loan bill.

Mr. BORAH. Mr. President, the House has voted, or has gone through the form of voting, on this measure, but truly what they voted on was adjournment. This amendment will be defeated, if defeated, not because it has not merit, not because it is not favored by a majority in both Houses, but out of a desire on the part of Congress to go home. That is a desire which can not be controlled by any human agency I know of. The desire of men to quit work before their work is finished is a strange and ungovernable desire.

I think, Mr. President, that before we are home 10 days we will wish we were back here, or at least in some rendezvous where we could escape from the feelings of our constituents. We have been in session many months. The two great guiding principles which have been ours during those months have been the levying of taxes and the extending of credit, provision for loans, a policy which will destroy any government on the face of the earth if it is not accompanied by some constructive measures.

We have levied taxes, we have provided for loans and extended credit, but not one constructive measure to relieve the person who is seeking, through some productive method, to help redeem us from our present condition of depression, has been passed.

It seems to me that we ought to make an effort along the line which is indicated by this amendment. It is an amendment which has the approval of the Banking and Currency Committee and the approval of the able Senator from Virginia, whose judgment in these matters we all greatly respect. It was a measure which, since it has passed the Senate, has had the approval of a vast number of business interests throughout the United States.

Since I was on the floor this morning, I have gone through my letters and telegrams, and find that something over 220 have come within the last few days in approval of this measure, not only from farm organizations but from business men and from bankers. They look upon it as a step in the right direction, which, if properly executed, would afford real relief along the lines along which relief is needed.

The only reason why we do not pass it is because, as I have said, of our intense desire to go home. I do not think we ought to yield to that desire. I think we ought to remain here until we shall have passed this measure and placed it upon the statute books, which would at least be an evidence of the fact that we understand the difficulties which confront the people of this country, and are sympathetic with a sane effort to help them redeem the situation. The situation in this country is growing more and more serious. It could not well be otherwise in view of the program we pursue here—taxes and more taxes, bonds and more bonds, which further decrease the purchasing power of the people and lead to greater hoarding and less constructive measures.

Mr. President, I presume discussion of it is useless, but I am going to vote against the report, and I hope it will be rejected. I want to evidence my determination in every way I can to support every effort to have Congress remain here until this question is settled. Another week here would not be hurtful to the Members of Congress, but to go home without acting upon measures such as this in my judgment will be hurtful to the constituencies of this country.

Mr. NORRIS. Mr. President, as I look at it, this particular vote we are about to cast is more important than any that has been cast during this session of Congress. As I look about me and see the faces of Senators on both sides of this Chamber with whom I have conversed at various times, I recognize that a large majority of them have said at various times, either on the floor or in private conversation, that one of the things that was needed in this dilemma was an increase of the circulating medium, an expansion of the currency. Everybody recognizes the fact that if we come to expand the currency we must do so in a logical way, or we will let the expansion get away with us, and that would, of course, do more harm than good. No one wants unlimited expansion. No one, so far as I know, thinks that the expansion this particular amendment would bring about in the currency would be harmful. On the other hand, it is universally conceded that it would raise commodity prices.

The Senator from Idaho referred to the farm organizations favoring it. Farm leaders who are students recognize, and have recognized for a long time, that one of the great troubles of the farmer was that he had been deflated. This will inflate. The amendment will not inflate to a dangerous degree. It will still leave the per capita circulation in the United States below where it was in 1920. It will not inflate to the point where it was in December, 1920.

It is conceded, I think, by all classes of men who believe that an expansion of the currency will increase commodity prices and thus bring about an improvement in the buying power of the farmers, the laborers, and the small business men all over the country that an expansion by virtue of this amendment will not reach the danger point. I do not want it to reach the danger point. I do not believe in so doing. But I do believe a modest expansion of the currency is necessary.

We must make it easier for the debtor to meet his obligations. The farmer, for instance, who borrowed a thousand dollars on his farm a few years ago at a time when perhaps the thousand dollars he got could have been paid with 600 or 700 bushels of wheat, finds to-day that to pay that thousand dollars he must produce several thousand bushels of wheat. In other words, it is harder now to pay the debts contracted several years ago than it was at the time the debts were contracted. Expansion of the currency would relieve the situation. While I believe in expansion, yet I realize that expansion carried beyond a reasonable degree is just as injurious as deflation carried beyond a reasonable degree.

I am not informed even as to the bitterness which I understand exists on account of the amendment. I regret very much that there should be any bitterness between those who believe in the Borah amendment and those who believe in the Goldsborough amendment which the House conferees wanted.

Mr. NORBECK. Mr. President——

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

Mr. NORRIS. I yield.

Mr. NORBECK. I think the Senator has touched the main point. I am one of the few members of the Banking and Currency Committee who favor the Goldsborough amendment. The majority of its members do not. The Glass substitute came along. The House adopted the Goldsborough plan which provided a definite plan for expansion, but the fact that we sent it over to them as a rider seems to have aggravated the situation and, not being able to get their own way, they seem to have taken the attitude that we shall not have anything else. That is the unfortunate situation. I believe the House favors the Goldsborough amendment and I believe it favors the Glass bill, and still we are in a position where we can not get either. The Senate has indorsed the Glass-Borah amendment by a vote of 5 to 1, and still we are unable to get it.

Mr. NORRIS. The Senator has mentioned something I was coming to at the time I was interrupted. Nearly everybody, I think, in and out of the Senate believes that some expansion of the currency at this time would go a great way toward relieving the situation. Now we disagree as to kind of expansion we ought to have. Some want to do it this way and some want to do it that way. I believe it is conceded that this particular method is not a dangerous one. When we changed the rate of interest that the bonds should bear, having the privilege accorded them under the bill, we removed to my mind the only serious objection to the amendment.

I will say to the Senator from South Dakota that while I prefer the Borah amendment to the Goldsborough plan, if the conferees were here now with the Goldsborough amendment and were unable to get the Borah amendment, I would take the Goldsborough amendment rather than nothing. I think it would do some good. Others want to adopt some other method. I want to say to Senators that while we practically all agree that there should be some expansion, apparently we can not all have our way as to the method of getting the expansion. As legislators we ought to be willing, within reasonable limits at least, to compromise. It is to be regretted that the bitter condition has arisen between the conferees of the House and Senate, as I understand the fact to be.

Mr. NORBECK. Mr. President——

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

Mr. NORRIS. I yield.

Mr. NORBECK. I do not think the Senator means to state it just that way. There is no personal ill will between the conferees.

Mr. NORRIS. Oh, no; I do not think there is.

Mr. NORBECK. I think the House conferees merely reflect the attitude of the House, and the Senate conferees tried honestly to represent the attitude of the Senate as expressed in its vote.

Mr. ROBINSON of Arkansas. Mr. President——

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

Mr. NORRIS. I yield.

Mr. ROBINSON of Arkansas. May I ask the Senator from Nebraska what was the last vote in the House on this matter?

Mr. NORRIS. It was an overwhelming vote.

Mr. BORAH. It was 89 to 221.

Mr. NORRIS. Coming now to the bill, as I look at it, the Borah amendment is the meat of the legislation. It is more important than everything else in the bill. I have no hesitancy in saying that my interest in the bill is mainly gone when the Borah amendment is out of it. In the main, the real reason for the passage of the home loan bill is because it has in it the word "home," a very beautiful word, but there are going to be disappointments from one end of the country to the other if the bill becomes a law. It merely builds up an enormous machine and provides almost an innumerable number of offices and office holders spread all over the United States.

Mr. GLASS. Mr. President——

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

Mr. NORRIS. I yield.

Mr. GLASS. May I suggest to the Senator that there is not going to be any disappointment in certain quarters, to wit, there is going to be no disappointment in the insurance companies that want to unload their rubbish on the home-loan banks.

Mr. NORRIS. No; probably not. I thank the Senator for his observation. It only adds to what, to my mind, is a very fair reason for passing the bill. Why, Mr. President, I presume all Senators have had the same experience that I have had. Propaganda has gone all over the country that we were going to have a tremendous increase in the building of homes. I was in my home State soon after the President called his home-building conference and started the propaganda about the building of homes. He had men here from all over the United States. Everyone would like to help in the building of homes and would like to make it easy for all those who want homes to build them. I could not understand, from my viewpoint and from what I could observe in the little section of the country where I was making my observations, any necessity for the legislation. I could not understand why it was, after I got back to Washington, that I received so many telegrams and letters. I found that organizations interested in the sale of lumber were propagandizing the country.

I received letters from local lumber dealers. One of those local lumber dealers sent me the letter which he received from headquarters. It told him what a wonderful opening there was going to be to sell lumber; that there were going to be houses built everywhere in the United States; that every lumber man ought to be interested. They said, "We have learned from good authority that your Senator, Mr. NORRIS, is not very enthusiastic about this measure, but probably is against it. We would like to have you use your influence to get him in line." I suppose other Senators have had letters from their constituents about the great building of homes that was going to take place. Looking around my little circle, I could not see just where we could possibly have any more houses built. Indeed, there were a few vacancies. It seemed to me there was no reason to expect that we were going to have this wonderful expansion in the building of homes. The people all over the United States have been led to believe that everybody is going to have a home as soon as this bill is passed, and that Uncle Sam is going to build it for them. They are going to be disappointed. They will not get it.

The way the bill is drafted there are some great moneyed institutions going to get some money out of it, and they are doing it in the name of the American home. I am not objecting to it particularly. I am only inviting attention to the fact of the exaggeration that has gone all over the country about the importance of the bill.

Now, we come here with an amendment that will do what is believed by men of all parties and all lines of business is desirable, and that is to give a reasonable, logical expansion to the currency without any possibility of injuring any honest business, and we are confronted with the fact that we can not have it; that we will let the bill, with its wonderful title, which is mostly a misnomer, go through while we turn our backs on the real thing that would do some real good to all lines of business.

So far as I am concerned, I am opposed to the motion to recede. I want a roll call of the Senate. I want to be on record as voting against it. We ought to defeat it. If it kills the bill, then the bill is killed in a good cause, trying to

get something much better than the bill, and it might result in getting something that is much better if we would stand on that basis and vote down the motion to recede.

Mr. TRAMMELL. Mr. President, the sentiments expressed by the Senator from Idaho [Mr. BORAH] and by the Senator from Nebraska [Mr. NORRIS] fully harmonize with my own views and are along the lines of what I had expected to say had I been recognized sooner, so I shall only occupy a very few moments.

I think the matter of the enacting of legislation that will provide for a reasonable expansion of the currency at this time is of far greater importance than the question of adjourning at a particular hour. I think the Senator from Nebraska put his finger on the situation when he said that it is a question between adjournment and the legislation. Unfortunate it is that the American people have no one to enact for them legislation dealing with a great problem like unto that of expansion of the currency, except the Congress of the United States. If Congress adjourns without taking some action upon the subject, then the people of the country are absolutely helpless and without any remedy and without any relief.

Of course, that is not of as great importance to many as the matter of adjournment. The matter of adjournment and ceasing work here is probably of more importance to some. I am not setting myself up as a critic, but in almost every session of the Congress we get restless and there is a mad desire to adjourn, and that desire runs rough shod over the question of the needs of the people and the need for legislation, and ignores absolutely the matter of enacting legislation that may be needed in the country.

We have been discussing the question of the expansion of the currency practically ever since Congress convened; different measures have been proposed looking to that end; and my observation has been that the sentiment throughout America among the business men, among the people generally, is that legislation is needed to bring about an increase in the circulating medium. It was claimed, of course, when we enacted the Reconstruction Finance Corporation legislation that we were going to loosen up credit, that we were going to get more money into the hands of the business concerns of the country, of agriculture, and of the people generally, but that has utterly failed.

If anything has been accomplished through the Reconstruction Finance Corporation, it has only been a staying of what was claimed to be impending danger which was hanging over our financial institutions and the transportation companies of the country. There has, however, been no loosening up of credit; there has been no expansion of the currency or an increase of the circulating medium throughout the country. Statistics show, to the contrary, that there has been a contraction of the circulating medium, that less money is being circulated.

We have here, I think, so far as my capability goes in passing upon the subject, a very wise measure that is proposed by the junior Senator from Virginia [Mr. GLASS] and which is indorsed by the Banking and Currency Committee; and I do not feel willing to say that I think that adjournment is more important than passing upon this legislation. What if we have to stay here a few hours longer? What if we have to remain here one or two days longer? Every Member of Congress, both of the House and of the Senate, is supposed to be a representative of the American people; he is receiving an annual salary for the purpose of performing such duties as are necessary in behalf of the American people. So why place greater importance upon adjourning than upon enacting legislation that may be necessary? Why not at least make a very desperate and diligent effort to have such legislation enacted? I scarcely think that we have yet done so. I hope the motion will be rejected.

So far as the so-called home loan bank bill is concerned, it is purely a misnomer. Throughout the country, in my State and everywhere else, people have been buoyed up with the hope that anybody who wanted to do so could get money to relieve the mortgage pressure on his home or could obtain money for the purpose of building a new home; that there would be no difficulty whatever in obtaining money for that purpose under this bill. As a matter of fact, practically all of them are headed for disappointment.

As before stated, no one is going to get any benefit out of this except a few building and loan associations, who will relieve themselves by unloading some of their mortgages; some banks also will unload some mortgages and some mortgage companies likewise will unload some mortgages; but so far as the individual home owner is concerned who is having a foreclosure instituted against him or pending, while there was a makeshift provision placed in the bill affording him relief, I dare say there will never be one individual owner who has a mortgage against his property who will borrow one dollar from one of these home-loan banks for the purpose of relieving his distress. It is purely a proposition to help and assist the financial institutions of the country which have mortgages on hand and who desire to get rid of them. Some companies have mortgages which have been placed with banks and they desire to get the money to pay the banks. They will probably use some of their mortgages in that way and obtain the money to pay the banks.

It will be a repetition of the story of the Reconstruction Finance Corporation. We hoped that the money available to that corporation would be used for the purpose of restoring to a more normal condition banking facilities, so that a person with ample security might obtain a loan from a bank; but I have yet to find a person who knows of any relaxation in the tightened condition which exists in the banks or the financial concerns of the country in so far as their customers are concerned. The money was used to pay off loans to banks. The money loaned to railroads was very largely used for the same purpose. Now we are going to have a repetition of it in regard to the home-loan banks. There is going to be no great assistance afforded to any individual; no great assistance will be afforded to the poor home owner who is in distress on account of an overdue mortgage. The whole situation is going to bring about a great deal of disappointment.

I believe the most valuable feature of the whole bill is the amendment which provides for the expansion of the currency; that, if adopted, will be more far-reaching and be of greater assistance to the American people generally. For that reason I wish to join with those Senators who feel that we ought to spend a little more time in an effort to have this particular measure adopted, even if it does deprive some one of the opportunity of getting an adjournment for a few hours longer than had been hoped. We have other legislation pending here that ought also to be disposed of before Congress adjourns. I do not know of any particular reason why Congress has to adjourn on a particular day. There is other important legislation which I should like very much to have seen considered and enacted before final adjournment. But we are dealing with this particular subject, and I am going to vote against the motion to agree to the conference report.

Mr. MORRISON. Mr. President, I have favored in every way I could, when the opportunity afforded, the home loan bank bill and the Borah amendment to that bill. I think the bill and the amendment referred to are both good measures and would benefit the country, but the legislative situation seems to be such that if we should proceed as some Senators evidently desire us to proceed we would lose both.

I am of the opinion that for the ordinary home owner the home loan bank bill is the greatest measure we have had before the Congress at this session. It is not a measure the details of which can be discussed with particularity in the time now available; but it is not a proposal to loan money to anybody, as the Senator from Nebraska and the Senator from Florida seem to think. It is a proposition to set up a new branch of the banking system with the money of the members of such branch, all the Government doing being to furnish, as it did in the case of the Federal reserve system, the original capital necessary to inaugurate the system. Then, out of the reserves put up by the members who join the home-loan bank system loans are to be made under, I think, sound safeguards to members of the system.

The members of the Committee on Banking and Currency thought the measure perfectly safe, and I myself think it is. I do not know how some mysterious money vampire is going to get anything out of it, as has been suggested by the great Senator from Nebraska. Nobody can get any money out of it except those who join the system and put up, according to the business done with the system, the reserves prescribed by the provisions of the bill. Those who get much will put much in it, and they will be able to get only a percentage of the very carefully ascertained value of the mortgages discounted or deposited as collateral.

Mr. President, the home owners of this country are in distress unparalleled in our history. Talk about homes and everybody getting new homes! I am not quite that ambitious. In the distressing period through which we are struggling the question is, How many of the people who already have the homes can save them from foreclosures, which are not only destructive to their little savings but result in the loss of their homes?

In the present banking facilities there is not a reservoir or place of any kind or description to which anybody so circumstanced can resort and obtain a rediscount. We have had great concern here to provide some such place, an enlarged and strengthened place, for the mercantile classes, for business, for the railroads, and all that; but our very banking system shuts its doors practically to anything except short-term commercial credit. This bill merely proposes to supplement the existing facilities by a well-worked-out plan so as to provide rediscount facilities for something else beside 90-day or 6-month commercial paper for business in process. Important as it is to provide for such paper and as devoted as I am to the benefits of that system, credits of that kind are not the only ones which should have some regard from the Government of the United States.

Whether homes ought to be mortgaged or not, they are mortgaged by the million. The newspapers are literally crowded with notices of foreclosures. Why? Because the banks must be made liquid under our banking law and system.

In the case of the Reconstruction Finance Corporation which we have set up, a bank borrows money, and what follows? An individual is in distress; the cry is, "Make the banks liquid." How are they going to be made liquid? By selling the homes of the people and the properties of the people that secure the credits that are not business-in-process credits and therefore are not eligible for rediscount in the Federal reserve system. This is merely a proposition to work out a system under which the banks and the insurance companies and the building and loan associations, under the very same principles, will set up a reservoir, as Warburg called the Federal reserve system, where the holders of mortgages may resort for rediscount just as commercial paper is now carried to the Federal reserve system.

Senators prophesy that it will be a failure and that it will result in disappointment. I have examined the testimony of witnesses before the committee. Great banker after banker swore that his bank would gladly join it, put up the reserves, and he believed it would be successful. What else would it do? It would make more desirable, to all banks allowed by law to invest in them, mortgages upon homes. It would make them a more desirable credit and therefore credit easier to be carried. Building and loan association after building and loan association explained that at times they were not pressed in their community, in their region, while in some other region they were.

If they had this general reservoir, linking the whole country together, they could resort to it for loans based on mortgages, keep their building and loan associations healthy, and let them go on and proceed not only to make loans to carry the building of new homes under conditions that warranted it but make it easier to keep from foreclosing and selling out the crippled widow, maybe the minor child, and the feeble old man, so that they will not lose their homes in this hour when the whole country seems to be deeply solicitous for the welfare of all other items of credit, all other people indebted on any other item of credit, except one for a home, for which I feel more solicitude than any other.

People ought not to mortgage their homes; but when the vicissitudes of life and of troubled times frequently force them to do it, and they are mortgaged, it is a pitiful plight they are in. Yet we are to become frightened because some insurance company may join this system and get some money out of it!

Why would they do it? They would do it because the strongest as well as the weakest are in a plight in these terrible times. If the insurance companies were in a fix where they could not carry the mortgages that they have on homes, it would indeed be an additional blight to the home owners of the country; and if they wanted temporary accommodation upon their paper, with proper reserves put up to warrant it under the securities offered, I am sure they would not want it except under circumstances where it would be a blessing to the home owners of this Republic to let them have it.

Mr. President and Senators, I want some expansion. I was even so desperate about it, representing the yearnings and the appeals and the distress of the farmers of my State particularly, that I cast my vote on the subcommittee for the "idiotic Goldsborough bill," as it has been called; and I would do it again rather than to have this country choked to death with the present financial system that we have.

I like the Borah amendment to this bill. I think it is the orderly and the wise way, as pointed out by the great Senator from Virginia [Mr. GLASS], to do this thing; but why try to do it in this way? Why not adopt the report of the conference committee, and give the people of this country, the distressed, the home owners, the blessings of a home loan mortgage bill? Then, if we want to pass the Borah substitute, the Glass bill is on the table with almost a unanimous recommendation from the Banking and Currency Committee. It will not take 30 minutes, with the sentiment of the Senate, to pass it and send it over to the House; and if we want to stay here for a week or two weeks, not having the hope of staying here very long, I believe I would about as soon stay here a week or two longer as not. Let us enact the Glass bill into law separately, and then do our heroics by trying to force the House of Representatives to accept it. But let us not, I pray you, kill this only hope of the distressed home owners of this country, whose homes are being foreclosed by the millions in every section of this Republic. Let us not deny these distressed home owners this boon—this hope, at least—while we have a political parliamentary wrangle because we can not make the House of Representatives do another thing that we think ought to be done, especially when it is not necessary to do it. We can adopt this report, and then I am ready to help pass the Glass bill and send it over to the House, and stay around here, if need be, as long as anybody else will stay to pass it or something better.

Mr. LEWIS. Mr. President, I am not unconscious that I have occupied a good deal of the time of the Senate lately. It has not always been with my willingness. But a sense of duty as to measures pending called me into action. I with sudden precipitancy take the floor because of the threat of great danger in our possible action.

We may leave each other this evening. We may adjourn at midnight. I have often seen such happen in my time, unexpectedly, in the gray dawn of morning on the day of prepared adjournment. I feel the need to speak to you, my fellow Senators, on the fate pending over us as the result of our action this night.

I want to speak to you out of public experience born oftentimes of severe travail, sometimes of desperation and defeat; I must assert to you that I can not be blind to the scenes around me which menace me with a fear and surround me with a sense of danger. Facing the scene I ask myself, Who or what is it that is bringing this unexpected and indefensible situation upon us? What has pushed us to the rim of the flaming crater and to the edge of the abyss?

Let us define our legislative confusion and explain the cause of the complication between the Senate and House committees. Before the Senate is a proposition presented by a Senator of the United States who comes from a Western State which we speak of as Idaho. He tenders it as amendment to a bill that is prevailing here, looking to the shelter of homeless mankind. The adopted amendment is a measure that has in its form and shape one of the finance bills offered by a Senator from the southern State of Virginia that authorizes some form of an increase in money of that which we speak of as the circulating medium, the money necessary to the uses of mankind.

Mr. President, outside of the portals of this building is found a class of humanity called "Bonus Army," who in their conduct, however regrettable, in instances are expressing from their nature something of that universal revolt that is in the hearts of mankind of our whole country. It is a breathing tissue of flame from out of the cauldron of their vengeance. When one shall ask, What is the cause of this, and why is our Nation and our people brought to this verge of disaster where they do not recognize what destruction they are doing to themselves; nor, sir, do they feel the demolishment they visit upon their country? we are therefore justified to ask, Is there not some place to which these distressed surely will address an interrogatory in a few days as to where was the power that could have given relief to the devastation of their country; and then, sir, will not in a fever of chorus demand, Why was that power not put forth in their behalf?

If you shall, in the wail of Patrick Henry, cry, "Peace, peace!" and hear the echo resounding, "You may cry peace, peace, but there is no peace," they are justified in asking what was it that was asked by their representatives in behalf of the people that would give the relief necessary to assure the tranquillity of mankind that may justify release from their miseries, and justice, food, and lodging to their children.

There has ever been, in every country, at certain times, a demand for its money to be so justly expanded that those who earned it by toil or commerce might have some of its enjoyment. Likewise, there has been no time when any land had been crushed under the power either of arms or from revolt against oppression when it was not a question of the manner in which the protesting had been denied the fruits of their labor, or the ownership of the circulation medium they created, and which is the assurance of freedom to industry and the proof of justice distributed.

Hear us to-day as we reflect the words of Robert Peel. It may be that in the musing moments of our friends who find all debate ridiculous, whatever may be its subject, they will recall as something refreshing their memory of history, that it was upon the debate of money—not upon the question of free trade, as is often wrongly placed in history—when Robert Peel tendered the measure by which a certain amount of gold should essentially be of a certain sum and value despite market true value; he soon realized that the Peel Act had created a constriction in money metal and low price for products produced in manufacturing, and by this had awakened England to a form of revolt from those whose small pay, in the sacrifice of their labors, had brought them to where they were on the eve of government revolution. It was then that Disraeli on the one hand and the oncoming Gladstone, with new followers, on the other, were awakening to the cry of Cobden. That also England was amassing, under a cry of bread and pay, to form a system by which those who earned could have that which was their compensation, or those who could not get that which they earned could not be suppressed into poverty, hunger, and death by the monopoly of money and the doubled increase of price of bread and the lessening of its quantity by tax embargo on imports, all of which had been continuously endured by their generation.

Mr. President, here in this body has been the constant cry set forth, from the time we assembled in December, for some form of expansion whereby money may be circulated into the hands of those who could use it for their needs, and give some contentment to their homes. Every time it has been tried there have been found gentlemen on the floor, ever so sincerely guided, who can find a reason why the aid is an offense to mankind. It wounds the senses of the conservative. It has offended the imagination and the gold-standard conception of that which we call the banker. Now I pray that the banker now objecting will not forget what offense he has done to his land. He still demands that he shall occupy the place in the temple of Christ, as well as of man, that he did in a moment when the Master in his malediction cried unto him—

> My house shall be called the house of prayer; but you have made it a den of thieves.

I challenge you, Senators, to recall that in not one single instance of public relief to the Nation in its money hardship have you had the cooperation of these masters of finance who have drawn and appropriated these billions from your people. It is these obstructing financier brokers who were allowed by the Washington administration to take four billions a month—hear it!—four billions a month to gamble with on the stock exchange. You Senators approved the action. You should feel the shame of it. If you dissented from it, God grant you the favor that a faithful master will grant the servant who sought to preserve his trust. Think again of it—four billions a month they took from your money to speculate upon the stock exchanges there in New York, to enrich themselves. They then added as investment fifteen billions of your money for securities of distant lands which were certified here to this tribunal as having no prospect of reward or no hope of return of the cash paid for them, while the millions of those who purchased the securities upon false representation have gone into poverty and languish in misery. Many in America are passing away in hunger and have not even the reflection of the Senators as to their condition, as the public now believes.

And, sirs, I deplore to witness the obnoxious scene of Senators avoiding every opportunity to hear the truth of the miseries. Let a man rise on this floor to speak of these great questions of wrong and right, and we have the repeating of the drama of organized Senators who fancy it is an evidence of their supreme knowledge of all the things in the world by exhibiting in their actions all indifference to debate and their deafness to hearing. This, I assume, is in order that it may be understood that to speak in their presence as though imparting knowledge in their presence is an insult to be resented by the affront of negligence or disturbance as to the matter conveyed in speech—and this is too often preferred in the presence and presented to the Speaker in method so marked in absence of good manners as never would be committed against any citizen a guest of your house.

I speak to the point. These men we speak of as bankers took fourteen billions of American money to distribute to bond sellers. Then added eight more billions of money, and the Government allowed these masters of finance to distribute these vast sums among their favorite bankers in different parts of the world under the fascinating and alluring suggestion of being, as they advertise themselves, financiers international.

Has any of that filched money come back? Where are the repayments of those loans that were allowed these masters who bought stocks and bonds with the American Treasury money? Do you not know that these juggled values now are in the hands of those to whom they sold them, by fraud and deception are in the hands of those who were seduced to purchase them through the false promise and glamor that presented as soon to pay millions of profits, when they who made the lying representation knew it to have no financial existence, but who knew that the Government was tricking the Nation to surrender to its burglars? Has any dollar been returned to those who suffer these losses? Not a cent. Has this Government turned its hand anywhere to bring a legal proceeding against the conspirators to make them respond to that wrong they have committed? Let truth answer—not one action or even yet one demand in behalf of the people wronged and robbed.

The humblest individual in the store or connected with business, having the misfortune to have committed an appropriation against the cash, the treasure which he surrounds, or violated a trust temporarily reposed in him, dare this one do the act, see how quickly he will be seized and sent to jail; but these master criminals, whose bigness of professed importance is certified to them before the world by the fact that they are powerful, have money in vaults—in bonds hidden, if you please, sir—as to these the people seem powerless to punish the miscreants. They go free, ever free, without punishment.

Truly, plate sin with gold the lance of justice hurtless breaks,
Clad in beggar's rags, a pygmy's straw doth pierce it.

Then let me ask, sir, one other question. Has any effort been made by our Government to recover these lost bonds from these master criminals of international design? Has any action been taken to make these bankers return the money they are now keeping and use it to hide from taxes; barricaded within the iron vaults of their seclusion, that they may pay no dues to their Government, and place the cost of the Government wherever they can, upon the miserable, stricken already, who are powerless to resist the further oppression?

Here let us ask what is it that is asked here from this legislation? It is asked that that money which kings of finance so depressed after having withdrawn it to the full extent of their command from the Treasury—their favoritism in the political power of the Government—it is this bill and its amendment asks that a system be put into effect by which money earned by labor and honest genius shall again resume its honest place as master of commerce and servant of man. Seventeen per cent increase from 1929, an increase which at this time would avail much to the relief of the miseries and the burdens that are borne. Seventeen per cent!

Gentlemen speak of what they call inflation. The theory is that you shall blow the air and light from out the body, and when there shall come some system that shall merely return life again to a body made lifeless by the oppression, we ask shall the restoration of smothered life be called inflation?

Where are these gentlemen, eminent bankers, who always find it so convenient to speak of every measure that is introduced on behalf of the people as inflation and dangerous to finance? What thing have they done in an hour like this when, before our very eyes, appears the design and the consummation of a crime they put upon the Republic as they have held it up with its hands in beggary extended to the world to our citizenship to the contempt of mankind?

The President of the United States sought to have an institution comprised of these gentlemen come together and contribute a certain sum of money to repair the breaches. He assured us that the selected bankers would obey the wish. It was but a little while when they responded to the wish. It was to audaciously say that they were under no obligation to pay this money from the funds the President asked. Then they treated him with the insolence that was customary and with the arrogance of that which has become habit. Engorged was this conduct because it is multiplied and exaggerated in money. For that privilege enjoyed the bankers, when asked to come before the Banking Committee and recite the situation of money and its reserve, they laughed with the glee of amused hyenas, kept away from the committee, and refused the fifty million to be lent to them as a salvation to banks and rescue of finance from the destruction these bankers had wrought on the system.

Next came the system of a bank bill called the Steagall bill, and when it was presented through the eminent Senator from Florida [Mr. FLETCHER], the Senator from Connecticut [Mr. WALCOTT,] and the distinguished chairman of the Committee on Banking and Currency, what became of it? They reaped the benefit out of the Treasury. They drew large sums from these banks, which money ought to have gone to those who needed it to build back business, to pay off the debts on the farms, to diminish and relieve the heavy burdens that come to the public, and to banish the lawsuits foreclosing on the homes and agriculture. Did the institution extend aid to the men out of work, away from finance or being where it should have been distributed in behalf of those for whom it was believed the money was being provided? Not at all. Then, since this is the record, Senators know the bill which we have referred to just now, this heralded credit bill. They have done, let us believe, that which, from the information they had, was the best they could do.

We will assume they did everything according to their conscience and their convictions. I am but a humble Member of this body; yet, whatever may be my afflictions, I am at least credited with the ordinary common sense of one who can understand that which appears in the public print of the day. And I ask, What have these gentlemen, masters of finance, done for the small institutions throughout the country that they were supposed to rescue? It is said they have a list to show of the amounts of money they have advanced to what they designate the small banks.

Truly they have in the manner confessed. It was where the large institutions, to which great sums had been advanced, demanded the sums to be advanced to the little banks when the little banks were in debt to the big ones. The big ones influence the loans to the small ones that the small ones could be forced by constraint to pay back the money borrowed to the big banks influencing the loan. This procedure of intimidation and influence left nothing in the little institutions by which they could resupply themselves on the one hand or serve to relieve customers around them and the needy on the other—no farmer rescued, no toiler saved, no bankrupt preserved from foreclosure.

Now, what shall be said, and gravely be said, at a time like this, when we are on the eve of adjournment, when the citizens of the land will be looking to ask, "What have you done for your country?" When the farmer will be confronting you with the wail, "Nothing for me. See, I have suffered, and bade my boy be loyal, and asked all my household still to be Christian." The man with the small merchandise will cry forth "What have you done for me? I am still in debt, with no chance to recuperate." And the big man in the big institution imprudently responding, "We are very sorry, but how can you expect us to lend you money with which to compete with the great business man in your line; and we make him subject to you as competitor. Out with you, audacious usurper."

So one after the other must be responded to. "Behold the house. The hand it brings you is empty; and if you feel they carry something more in your behalf, something hidden, hear the prophet whispering, 'Come close; I have a blade to draw. It cuts away into your breath and you die. It is poison of false promises.'"

Now, sirs, many gentlemen speak of the home bank bill. I gave it my support, although I am utterly opposed to this theory, and I said so on this floor. I think it offers much in promise but very little in fulfillment. But since it was believed and trusted by many, it was something which might come to the rescue of some of the people in this hour, they had a right to try their hope. It had the approval of the very highest of the Government—the President. It was said that there had been evolved legislation without parallel of favor on earth and not any hope of equality with blessings in heaven.

I ask the distinguished and eminent Senators of the West, known to all as typically representative of the people, I ask you, sirs, who do me the honor to be present this moment this question, When a man gets his home, does he not enter some obligation by which he promises to pay for the money advanced? And I ask, If we do not give him any opportunity to get money, how will he get his home that is to be bought by money? What trickery are we playing upon him? What a design of hypocrisy are we perpetrating upon him, and in the very face of the multitude of crying, suffering humanity, we dare perpetrate the fraud with a

glimmering smile upon the face as if we had been heroes in a crime of indecency to mankind.

Sirs, I conclude, I can not believe this measure will be defeated in the House. The Members of the House come straight from the people. They are oftentimes much more representative of the heart of humanity than we of the Senate, who know the Senate to have an advance of time which forbids us from time to time to keep in close touch daily with our constituents. We often turn our attention to other questions which involve international questions of the world and forget the hand reaching out for help at home.

It will not be conceived that the Members of the House will look upon this issue and recognize it as a mere matter of pride of position between parliamentarians of the House on the one hand and the Senate sovereigns on the other. It will not be conceived by our American citizenry that the humanity of the legislators should sink so low, their righteousness and Christian feeling become so dwarfed as to sink to so low a degree. Sirs, let us know—let us confess that there is not one of them—of House or Senate—when they are brought to realize that the measure is one of promise for their constituents, and their only hope, who would want to destroy it and go back empty handed and charged with having a heart that is dry and not one pulse to beat its sympathy with its suffering fellow mankind. Here, sirs, is already the temper of kindness. Here is the voice of justice. Here is the awaiting reward at the hands of a grateful constituency. This is paid the public servant for fulfilling his task and doing his task to man—his duty to God.

It is not likely, sir, merely to carry on the empty contest in question of what may be called the epaulets or who shall wear the gilded slipper, as between the two we will harass to increasing misery the crying needy.

Therefore let us say frankly that the object of our purpose is an increase of money and the possibilities of it for all mankind of America. Let us say that only by granting money under the home bill can the homeless pay the debts that are foreclosing upon their homes and leaving them helpless; that only by distribution of money that these may be left in business; that they may get some help for their children, who are crying for bread and their cradles, and little forms dwarfed by misery and pains of distress.

Have we, then, gotten to the point where such little things as the mere contest of spears of pride which one may hold in one hand and another in another draw his saber of shining gleam destined purely upon the length of the dissolution and with these rapiers of blood and skin shall be the test of the rights of those helpless for whom these representatives of thought, justice, and power were intended to speak and save?

Mr. President, I take the liberty, having occupied time quite beyond my original intent, to say that it is now the time for the Senate to act as the heroes of the legislative drama of life and its fulfilment of life's needs and blessings.

Has not the time come when now the Senate committee should move again to the House with a statement of the relative positions that are now before the public and the necessity to speak out the truth that up to this saving hour, as we are closing the portals, not one thing can be held up before heaven for its blessing or before mankind for its thanks? In this political dilemma and in this misery of mankind let those who are the representatives of the masses, when they shall confront those for whom they speak and to whom they exhibit their empty hands, realize that they will meet in the arena of home-coming broken hearts, tearful faces of the to-morrow's daylight darkened beyond hope, and these are they for whom these legislators came here to serve and yet leave them abandoned and forsaken—without hope in the to-morrow or prayer to be answered at the gates of Heaven.

Is this the fulfilled mission of what makes the representatives in the House or in the Senate? I will assume, in carrying the measure of their duty and tempering the consequences of what they might be, they will remember how on every occasion there has ever risen turmoil and riot and revolution; such has been born of resentment because of this same treatment which I picture here, visited on their own. Regrettable as I have in my heart the necessity to do so, I must cry the warning: "Ye shall reap that which ye sow."

Then, Senators, as Othello addresses you, most reverend seniors, back again to your tasks and to the House committee as your fellows, should they behold the situation, as you try for justification of that which you know to be fair and right and in the face of the exaggeration made against the measure of the eminent Senator of Virginia [Mr. GLASS] and the able Senator from Idaho [Mr. BORAH], whose virtue is shown as having necessity in truth, and having all value in practice. Here we dispose again with a united effort and with a new spirit of Americanism coming to the relief of their fellows, we rejoice in that spirit which belongs in the breasts of them all, that spirit of patriotism for country with which all are animated, and let them do their duty to Almighty God and get that reward for a task well done to man and Heaven.

I thank the Senate.

[Applause in the galleries, increasing until suppressed by the Presiding Officer.]

Mr. SHIPSTEAD. Mr. President, it seems to me pathetic that the Congress should disagree upon this measure when we take into consideration our coming here last December. We found it was just beginning to dawn upon us then the very serious condition in which the country had been placed. It dawned upon us that we were just beginning to realize that we had now to face the consequences of a 15-year period of debauchery and the running of printing presses. For 15 years we ran the printing presses overtime, printing evidences of debt, creating new debts, bonds and stocks and mortgages, without the slightest regard for the means of capacity to pay. As a result we found that we had inflated the credit system until it burst like a bubble in 1929, paralyzing the credit structure to such an extent that production almost ceased and commodities almost failed to move from one part of the country to the other or in the avenues of trade.

So we started out to remove the resulting chaotic condition and we have been busy all winter enacting legislation having for its purpose the creation of more debts, again running the printing presses to create more debts in order that we may meet the consequences of a condition where the country is sinking in a sea of public and private debts.

It is very significant that so far we have been able to agree upon no method by which we could create a means of payment of debts. Many measures have been suggested by various Members of Congress having for their purpose the means of creating a means of payment. Various proposals have been called methods of inflation and hands are raised in holy horror at the word by men who kept silent during the greatest destructive inflation in the history of the Nation, the inflation of the credit structure from 1920 to 1930.

What are we going to do with this tremendous amount of public and private debt, which can not be paid under the gold-standard value of the dollar? The so-called Borah amendment is a very mild effort to meet the situation in part. The so-called Goldsborough bill, as I understand it, would direct the Federal reserve banks to do what they have been doing for some time—to go into the market and buy Government securities in order to fill the banks with money. It is quite evident that that system of reflation or inflation or expansion of the currency has not had the expected effect. If the banks had done that two or three years ago, before the avalanche of descending price levels had advanced so far, it undoubtedly would have had considerable effect.

I do not understand why the House of Representatives should be so jealous of the Goldsborough bill, because, as I understand it, the Federal Reserve Board have the power and authority now to do what that bill would direct them to do. The Borah amendment is an additional method of providing means of payment by issuing currency by the national banks based upon Government bonds in the amount of the capital and surplus of the banks. If there is anything dangerous in that to the amount of $994,000,000, I beg

Senators to remember that the warning comes from sources which initiated the policy of the credit inflation that has almost ruined the business institutions of the country. I think it is high time that the Congress of the United States and the Government of the United States cease bowing to their knees before the throne of these racketeers in the banking houses of New York. I think it is high time the Government of the United States cease to be a rubber stamp for the New York banks, who have shown that they are not fit to conduct the financial policies of the country.

I do not understand the home loan bank bill. I can not see where it is going to help matters. I think it comes here as a result of what has gone before. In 1926 the commercial bankers came here and asked for the passage of the McFadden bank bill. They asked to be given the privilege of increasing the amount of loans upon real-estate mortgages. They said they must have that privilege in order to be able to compete more fully with the State banks who had that privilege. I was so bold as to venture to suggest to them at that time that I thought the policy by which they took their depositors' money and invested it in long-term securities and tied them up would lead them into eventual trouble; that they had no business to tie up their depositors' funds in long-term loans of that character. I venture to say that they have discovered that they are in trouble now. The home-loan banks may afford facilities where they can unload some of the mortgages that they hold on real estate, where the funds of the depositors are frozen in long-term credit on which they can not realize. But that is an entirely different matter.

Mr. President, I was very anxious to have this little bit of financial legislation, known as the Borah amendment, agreed to because of the fact that the credit system has broken down; it is not now functioning. I have letters from responsible people who say that there is no money in circulation in their local communities. One man wrote me and said, "We have only some worn-out silver certificates."

The palliative pieces of legislation we have passed this winter I fear will have only a temporary effect to restore a credit system that can not be restored by the methods we have pursued. I feel that the measures we have passed will only stave off the inevitable day of reckoning, the collapse that must come because of the refusal of the Congress to furnish a means of payment, a medium of exchange, somewhat in proportion to the debts that have been created during the last 15 years. For that reason, so far as this type of legislation is concerned, I am frank to say that the Borah amendment is the only piece of legislation with any character that has been passed by the Senate at this session of Congress.

I ask that at the conclusion of my remarks there may be printed in the RECORD a very able and interesting editorial entitled "The Gold Standard: End or Means?" which is published in the Monthly Review, a magazine published quarterly by the Midland Bank of London, England. I commend it to Senators whose thoughtfulness leads them to study some of these economic questions rather than political questions.

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

[From the Monthly Review, London, England, June–July, 1932]

THE GOLD STANDARD: END OR MEANS?

It has become almost customary in economic debate to allege confusion of thought in the mind of one's adversary. We ourselves have often in the past been charged with this failing, and shall doubtless be so charged again in the future; perhaps, then, we shall be excused if we suggest, after due deliberation, that the recent report of the gold delegation set up by the League of Nations financial committee suffers from precisely this weakness. Undoubtedly the delegation, composed of men distinguished in finance, administration, or academic life in various countries, has performed a painstaking task of research which is by no means without value. Its conclusions, however, are less readily to be accepted.

To begin, the delegation "records its belief that, at the present stage of world economic development, the gold standard remains the best available monetary mechanism." No extended argument is adduced in support of this dictum; it is laid down and built upon almost as an axiom, though one which gives rise to serious disturbance in the minds of two British and two continental members of the delegation. Passing on from this axiom the report proceeds to recommend, as of vital importance, "the return, within the shortest possible time, to the international gold-standard system." This is too much for Professor Cassell, who frankly regards it as "an open question whether it will be possible in the future to restore the gold standard as an international monetary system." When, however, we search for supporting arguments for the majority conclusion, based insecurely upon a questionable axiom, we find it laid down that, "granted the general acceptance of certain guiding principles, the gold standard is capable of functioning in such a way as to achieve most of the advantages of stability and justice claimed for alternative standards more broadly based on commodities other than gold."

Just what does this somewhat obscure statement mean? Clearly if the "justice" referred to is the justice required in fulfillment of obligations of debtors to creditors it can mean only one thing, a higher degree of long-term stability than has yet been attained in the general level of commodity prices. And just as clearly the gold standard, as operated in the past, has fallen short in precisely that requisite. It has not secured justice; it has not insured stability—at least, not in the degree that orderly world development requires. Even before the debacle of the past three years it was subject to grave complaint on that very account, though it was and still may be open to argument whether any other standard could do better. At this advanced stage, however, there is not the remotest possibility that the gold standard, in the absence of substantial modification, will ever behave differently. It has, indeed, become more and more obvious that stability in the price level can be secured on a gold standard only by strict and intelligent management of the standard. M. Albert Janssen, Sir Reginald Mant, and Sir Henry Strakosch recognize the facts clearly—and a harassed world should be grateful for their realism—when they write, in their note of dissent, "We would only go so far as to say that the gold standard is the best mechanism if properly managed."

The majority of the delegation, however, take no such advanced view. They regard it as the most important guiding principle of central bank operation of the gold standard that, "as a general rule, gold movements should not be prevented from making their influence felt both in the country losing gold and in the country receiving gold." Apparently no distinction is required, in the view of the majority, between gold movements arising from price disequilibria and those having their origin in capital and credit operations. In other words, they recommend a return to a "naturalistic" type of gold standard, similar in essence to that which operated in the half century before the war, ignoring the fact that in every other aspect of economic life the mechanics of that generation have undergone substantial improvement in efficiency and economy of operation. This is retrogression, indeed. It is like trying to solve London's traffic problem by calling for a return to hansom cabs and horse busses. It repeats the mistake of the early postwar years, when the objective of nearly all economic reconstruction was an impossible return to the halcyon conditions of 1913.

Apparently the fact is overlooked that a general and early return to the gold standard is just as likely as before, in the absence of very careful management, to sow the seeds of a calamitous fall in world prices, though it must be remarked that the delegation make some suggestions for economy in the use of the metal. But the fact is that, by permitting gold movements to exercise their full effects at both ends, monetary developments are largely dependent upon the accidents of gold supply, and, just as in the heyday of the gold standard, tend to dictate business conditions in conformity with the abundance or scarcity of gold. We are recommended, then, to subject an enormously increased capacity of production to the fortuitous limitations imposed in a bygone age by the supply of and demand for a single precious metal.

DISTORTED EMPHASIS

Evidently, however, to the majority of the delegation the prospect of a return to this gold standard is so dazzling in its pristine beauty that it may well be regarded as an end in itself. For as means to that end they put forward time-honored recommendations: "The restoration of a reasonable degree of freedom in the movement of goods and services" (in which it appears is included the free movement of capital); and "a satisfactory solution for the problem of reparation payments and war debts." No one will quarrel with these desiderata, despite the vagueness of the qualifying adjectives; indeed, no one doubts that without their fulfillment the world can scarcely expect to recover to anything like the level of prosperity enjoyed in the pre-1929 period. Differences will occur, however, on the question of emphasis. These desiderata are essential as means to world recovery, rather than to a purely secondary end, the restoration of the gold standard in some form or other. The world is learning, more quickly now than ever before, that the gold standard is not an end in itself; it is simply a piece of machinery which must be carefully watched over, adjusted, modified, and conceivably even ruthlessly scrapped, like any other outworn equipment, the moment its efficiency becomes demonstrably inferior to that of some alternative mechanism. We do not say that at the moment such superior alternative has actually been tested and proven; we are merely stating the matter in its proper proportions. By all means let us bend every effort toward greater freedom in interchange of goods and flow of capital; by all means let us achieve a final and socially noninjurious settlement of war debts; but let us secure these for what they are—vehicles to a higher level of general welfare, and not means for a reversion to any particular method of doing one particular job. There is no sense in repairing a car for the mere sake of working the steering wheel.

If the gold standard is to be adjudged on balance and in the long run, the best available monetary aid to rising economic welfare, then clearly it must be placed alongside the other two desiderata as means which can contribute as and when accomplished, to advancing prosperity. But it is quite possible that undue haste in returning to the gold standard, resulting from overemphasis on its own alleged desirability, might undo some at least of the good effects of the other two. Increased freedom of trade and finance and a thorough settlement of the war-debts problem can hardly fail to promote recovery, not only directly, but indirectly as well because of the resultant stimulus to confidence, leading to more rapid consumption of accumulated materials and revived demand for new supplies. But the impetus to recovery thus set in motion can be sustained only if at the same time commodity prices are allowed and even encouraged to rise freely to substantially higher levels. Quite apart from political debts, those of more economic origin, whether internal or international, weigh far too heavily on industry and trade at the present level of prices. There is a grave risk that hasty efforts to return to gold, by steps determined precipitately and repented in enforced leisure, might easily prevent the outstanding essential to world recovery—a rise in commodity prices through abundant and cheap credit facilities hand in hand with improved confidence. Without such a rise in prices the recovery of world prosperity must be deferred sine die, notwithstanding any steps that may be taken to remove the onus of political debts and achieve greater freedom for the international movement of goods and services. To attempt, as the majority of the league delegation recommend, to adjust "the national economic system as a whole, and especially costs of production and costs of living to the international economic and financial position" would be once more to court disaster. The gold standard, if it is to be restored, must be restored without deflation. We can not afford once again to jeopardize the benefits of improving economic and political conditions for the sake of a hurried return to gold.

WISDOM OF BRITISH GOVERNMENT POLICY

For this reason among others the monetary policy of the Government, as more recently demonstrated by word and delegated deed, is vastly superior to that recommended by the majority of the League of Nations experts. Extracting the essence of various statements, direct and indirect, of spokesmen of the Government, we may summarize Britain's policy in monetary affairs under three clauses: First, to maintain, by the provision of cheap and plentiful money, the technical conditions for a substantial rise in the general level of wholesale commodity prices in terms of sterling; secondly, to eliminate as far as possible wide and rapid fluctuations in the gold exchange value of sterling, particularly those due to speculation and "capital flights" this way or that, while allowing exchange rates in the longer run to adjust themselves to altered price-level relationships; and thirdly (in the indefinite future, when the mists have rolled away) to effect final stabilization of the pound.

Leaving aside the third objective, which lies in the remote and uncertain future, it is easy to see that the first two are calculated to give every encouragement to incipient world recovery. The policy is in itself far better and holds out far brighter prospects than one designed to hurry us back to the old gold standard. Further, taken in conjunction with steps toward freer movement of goods and capital and the final adjustment of political debts, it can not fail to bear good fruit. Admittedly, before it can produce full results in respect of material welfare a revival of confidence is necessary. To that revival it makes a contribution of its own to reinforce the more direct effects in the same direction of the two international desiderata. Were this country to embark upon a forced return to gold, any strengthening of confidence due to success in freeing trade and clearing away the entanglement of war debts would be at once nullified and the benefits thrown away. This is so more particularly because Britain occupies at the present time the center of the world's monetary stage.

The Government's monetary policy is, then, properly to be regarded as a vital part of a well-balanced whole. Confidently presupposing its continuance, the best may be hoped for as the outcome of the bold policy laid down at Lausanne with a view to the ultimate settlement of war debts and the equally bold steps which it is hoped will be taken following the Ottawa conference toward greater freedom of trade. The problems to be solved in the task of restoring world prosperity are indeed formidable, but there is no good reason for supposing that they can not be dealt with successfully by the exercise of ordinary courage, intelligence, and honesty. If British statesmen and business men have in fact lost these qualities, then nothing can save this country from a relapse to a far lower level of welfare than that now enjoyed; if, on the other hand, as the facts show, they still possess them, then this threefold policy of our Government in world economic affairs is bound in time to succeed.

Meanwhile it is not merely useless, it is definitely harmful, seriously to consider the when and how of returning to the gold standard. That standard, as operated in the past, has shown itself gravely deficient. It may have potentialities for doing better in the future, but if so the principles of its management and control will need to be much more deliberately considered and elaborately evolved than the urgency of our immediate problems permits. For the present a pure managed currency is on trial; we have yet to see whether it must inevitably run away with us, as the upholders of gold contend. While the tests are in progress Britain should keep herself entirely free from all commitments as to the final form which her monetary system shall take. The choice between a gold, a gold-cum-something-else, or a nonmetallic standard must be deferred until the crisis is past, and then made with an open mind, on the basis of comparative experience and solid material advantage. The Government does well to keep its hands untied on this profoundly important question.

The PRESIDING OFFICER (Mr. FESS in the chair). The question is on the motion of the Senator from South Dakota [Mr. NORBECK].

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

The PRESIDING OFFICER. The clerk will call the roll.

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

Ashurst	Dickinson	La Follette	Shipstead
Bailey	Fess	Lewis	Shortridge
Barbour	Fletcher	McKellar	Smoot
Barkley	Frazier	McNary	Steiwer
Bingham	Glass	Metcalf	Stephens
Black	Goldsborough	Morrison	Thomas, Idaho
Borah	Gore	Moses	Thomas, Okla.
Brookhart	Hale	Neely	Townsend
Bulkley	Hastings	Norbeck	Trammell
Bulow	Hatfield	Norris	Tydings
Byrnes	Hayden	Nye	Vandenberg
Capper	Hebert	Patterson	Wagner
Cohen	Howell	Pittman	Walcott
Connally	Johnson	Reed	Walsh, Mass.
Costigan	Jones	Robinson, Ark.	Watson
Couzens	Kean	Robinson, Ind.	
Dale	Keyes	Schall	
Davis	King	Sheppard	

The PRESIDING OFFICER. Sixty-nine Senators having answered to their names, a quorum is present. The question is on the motion of the Senator from South Dakota that the Senate recede from its amendments numbered 46 and 47.

Mr. NORRIS and Mr. VANDENBERG asked for the yeas and nays.

The yeas and nays were ordered, and the chief clerk proceeded to call the roll.

Mr. JONES (when his name was called). Making the same announcement with reference to my pair with the senior Senator from Virginia [Mr. SWANSON] that I made early in the day, I feel at liberty to vote and vote "nay."

Mr. KING (when his name was called). I have a general pair with the junior Senator from New Mexico [Mr. CUTTING]. I transfer that pair to the junior Senator from Massachusetts [Mr. COOLIDGE] and will vote. I vote "nay."

Mr. McNARY (when his name was called). On this vote I have a pair with the senior Senator from Mississippi [Mr. HARRISON]. Not knowing how he would vote, I withhold my vote.

Mr. SHIPSTEAD (when his name was called). I have a pair with the Senator from Wyoming [Mr. KENDRICK]. I am informed that if he were present he would vote as I intend to vote. Therefore I feel at liberty to vote, and vote "nay."

Mr. SHORTRIDGE (when his name was called). Again announcing my general pair with the senior Senator from Montana [Mr. WALSH], not knowing his views on this question, I can not vote. If permitted to vote, I should vote "yea."

Mr. STEIWER (when his name was called). With respect to my pair, which has previously been announced, I do not know how the senior Senator from New Mexico [Mr. BRATTON] would vote if present. Therefore I withhold my vote. If permitted to vote, I should vote "nay."

Mr. THOMAS of Idaho (when his name was called). I have a general pair with the junior Senator from Montana [Mr. WHEELER]. I am informed that if present he would vote as I intend to vote. Therefore I am permitted to vote, and vote "nay."

Mr. WATSON (when his name was called). Transferring my general pair with the Senator from South Carolina [Mr. SMITH] to the Senator from Colorado [Mr. WATERMAN], I vote "yea."

The roll call was concluded.

Mr. DAVIS. I have a general pair with the junior Senator from Kentucky [Mr. LOGAN]. Not knowing how he would vote, I withhold my vote.

Mr. DALE. Respecting my pair with the junior Senator from Alabama [Mr. BANKHEAD], I withhold my vote.

Mr. BULKLEY. I have a general pair with the junior Senator from Wyoming [Mr. CAREY], but I understand that if present he would vote as I intend to vote. Therefore I am free to vote, and vote "yea."

Mr. FESS (after having voted in the affirmative). I have a pair with the senior Senator from New York [Mr. COPELAND]. I have been informed that I can transfer that pair to the Senator from Wyoming [Mr. CAREY]. I make that transfer and let my vote stand.

Mr. LA FOLLETTE. I desire to announce the unavoidable absence of my colleague [Mr. BLAINE], and to state that he is paired with the junior Senator from Kansas [Mr. MCGILL].

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

The Senator from Nevada [Mr. ODDIE] with the Senator from Arkansas [Mrs. CARAWAY];

The Senator from Wisconsin [Mr. BLAINE] with the Senator from Kansas [Mr. MCGILL];

The Senator from Maine [Mr. WHITE] with the Senator from Tennessee [Mr. HULL];

The Senator from Illinois [Mr. GLENN] with the Senator from Washington [Mr. DILL]; and

The Senator from Vermont [Mr. AUSTIN] with the Senator from Georgia [Mr. GEORGE].

The result was announced—yeas 29, nays 35, as follows:

YEAS—29

Barbour	Hastings	Moses	Tydings
Bingham	Hatfield	Norbeck	Vandenberg
Bulkley	Hebert	Patterson	Wagner
Connally	Johnson	Reed	Walcott
Dickinson	Kean	Robinson, Ind.	Watson
Fess	Keyes	Schall	
Goldsborough	Metcalf	Smoot	
Hale	Morrison	Townsend	

NAYS—35

Ashurst	Cohen	Jones	Robinson, Ark.
Bailey	Costigan	King	Sheppard
Barkley	Couzens	La Follette	Shipstead
Black	Fletcher	Lewis	Stephens
Borah	Frazier	McKellar	Thomas, Idaho
Brookhart	Glass	Neely	Thomas, Okla.
Bulow	Gore	Norris	Trammell
Byrnes	Hayden	Nye	Walsh, Mass.
Capper	Howell	Pittman	

NOT VOTING—32

Austin	Copeland	Hawes	Shortridge
Bankhead	Cutting	Hull	Smith
Blaine	Dale	Kendrick	Steiwer
Bratton	Davis	Logan	Swanson
Broussard	Dill	Long	Walsh, Mont.
Caraway	George	McGill	Waterman
Carey	Glenn	McNary	Wheeler
Coolidge	Harrison	Oddie	White

So Mr. NORBECK's motion was rejected.

Mr. NORBECK. Mr. President, I move that the Senate insist on its amendments and request a further conference with the House of Representatives, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to.

The VICE PRESIDENT. The Chair appoints the same conferees as heretofore.

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Chaffee, one of its clerks, announced that the House had receded from its disagreement to the amendments of the Senate numbered 1, 2, and 3 to the joint resolution (H. J. Res. 461) making appropriations to enable the Federal Farm Board to distribute Government-owned wheat and cotton to the American National Red Cross and other organizations for relief of distress, and concurred therein.

ENROLLED BILL AND JOINT RESOLUTION SIGNED

The message also announced that the Speaker had affixed his signature to the following enrolled bill and joint resolution, and they were signed by the Vice President:

H. R. 9642. An act to relieve destitution, to broaden the lending powers of the Reconstruction Finance Corporation, and to create employment by providing for and expediting the public-works program; and

H. J. Res. 461. Joint resolution making appropriations to enable the Federal Farm Board to distribute Government-owned wheat and cotton to the American National Red Cross and other organizations for relief of distress.

FARM RELIEF—VOLUNTARY ALLOTMENT PLAN

Mr. NORBECK introduced the following bills, which were each read the first time, and, by unanimous consent, the second time, and referred to the Committee on Agriculture and Forestry:

A bill (S. 4984) to amend the agricultural marketing act so as to make the tariff effective on farm commodities domestically consumed, and to provide a means of preventing undesirable surpluses and balancing production and consumption; and

A bill (S. 4985) to amend the agricultural marketing act so as to make the tariff effective on that part of the production of specified farm commodities which is consumed within the United States, and to provide a means of balancing production and consumption.

Mr. NORBECK. Mr. President, this Congress is adjourning without giving proper consideration to legislation necessary to the welfare of agriculture and the whole country.

The emergency farm relief bill, which I introduced, did not become a law, though approved at one time by the Senate and afterwards by the Agricultural Committee of the House.

I am now looking forward to taking up some permanent legislation at the opening of Congress in December. I have become convinced that a voluntary allotment plan that will make the tariff effective is the key to the whole situation. Two bills have been drafted for this purpose—a short form, which is easy to read and easy to understand, and another form, much longer, that goes more into detail.

I am to-day introducing both bills and ask that they be referred to the Committee on Agriculture and Forestry. The chairman of the committee, Senator MCNARY, has assured me that they will be given early consideration by the committee upon the reconvening of Congress in December.

While the allotment plan is not a new plan, these particular bills are largely the work of Dr. M. L. Wilson, of the State College, Bozeman, Mont. Doctor Wilson has prepared an explanation of the allotment plan, which I ask may be printed in the RECORD.

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

The matter referred to is as follows:

The plan included in the bill just introduced embodies the best features of all the farm-relief plans and meets all of the objections raised to them. It has the further advantage that it lays the foundation for a system of planning and control of agricultural production and of balancing production with consumption. It limits the tariff benefit to the domestically consumed part of the crop; it makes use of the taxing power and taxing machinery of the Federal Government in a way that has been established by precedent.

The advantages of this plan, stated in more detail, are as follows:

First. Tariff protection is made effective on the domestic consumption of products of which there is an exportable surplus.

Second. Income of farmers are definitely increased, yet there is no stimulus to increased production.

Third. A definite method is provided for farmers to control production and to reduce it where necessary, just as big corporations have always done.

Fourth. No export dumping is involved; hence there is no danger of reprisals or retaliation by foreign governments.

Fifth. No price fixing is involved and there is no interference with present marketing agencies.

Sixth. Consumers are protected, since the special methods provided are not to be used to raise prices of any product above its pre-war purchasing power.

Seventh. There is no compulsion on any individual farmer to join in the plan; those who elect not to share in the benefits are free to produce as much as they please.

Eighth. No new Government appropriation is required, and there is no additional expense to the Treasury.

Ninth. There is no dictation from Washington; instead, administration is decentralized through State, county, and township committees, composed of local representatives.

In addition to these advantages, the plan provides a practical way by which a large volume of new credit would be put into the hands of farmers. This will not only make further seed loans and other special financing unnecessary, but would tend to check deflation. Together with the public works, productive credit, and relief measures which have been suggested in other proposals, it

should help to start an increase in credit in use throughout the country and aid in the recovery from the long depression.

The several elements of the proposal may be briefly outlined as follows:

Commodities to which applicable: The plan applies to those commodities in which there is an exportable surplus, i. e., a production in excess of domestic consumption; and in which prices are below their pre-war parity with commodities which farmers buy. Wheat, cotton, tobacco, rice, and hogs are specifically included; other products may be included following recommendations from the administrative agency to Congress for approval of rates of levy for "tariff-adjustment charges."

Collection of "tariff-adjustment charges": The administrative agency is authorized to levy a "tariff-adjustment charge" upon each unit of the commodity processed, manufactured, or distributed for domestic consumption, to be collected by the Bureau of Internal Revenue from the processor, manufacturer, or distributor at some point in the marketing process to be designated by the board. The charges are not to exceed 42 cents per bushel on wheat, 5 cents per pound on cotton, 5 cents per pound on tobacco (or equivalent charges on finished products), one-half cent per pound on rough rice, or 3 cents per pound on live hogs. In addition, the price plus adjustment charge is not to exceed the 1910–1914 purchasing power of these products. Portions of the commodity consumed by the producer or used for the production of articles for export are exempt from tax; and portions used for low-order domestic uses may be wholly or partly exempt. Funds so collected are to be paid into a special "domestic allotment account" in the Treasury, and to be recorded separately for each commodity.

Voting by producers: The board is authorized to conduct national votes of producers of each product to determine (1) whether they wish the board to put the plan into operation for their product, (2) whether they are willing to cooperate with the board in putting it into effect, and (3) whether they wish the board to require producers who receive "tariff benefits" to reduce their acreage or production and, if so, by how large a percentage. There can be a vote each year as to the desired amount of reduction for that year.

"Tariff benefits" to producers: The funds derived from the tariff adjustment charges on each commodity are made available for paying tariff benefits to the producers of that commodity. These benefits are to be paid to producers, at the rate of so much per bushel or per pound on the domestic-consumption allotment of each producer, according to the net yield of the tariff-adjustment charge. The allotment of the domestic consumption to each producer for this purpose will be worked out by State, county, and township committees cooperating with the board, and will be based upon previous acreages and average yields.

Allotment contract with producers: Allotments will be made only to those producers who in return will sign a contract not to increase acreage, or to reduce acreage if the board decides that a reduction is desirable, after considering both economic prospects and the vote of the producers of the product. It will not be a violation of the contract, however, for a farmer to increase his acreage, if he arranges with some other farmer to reduce his acreage by an equal amount below the amount specified in his contract.

The tariff benefits will be paid from the domestic-allotment account to individual producers in annual payments at the end of the marketing year through the State and county committees. On rented farms the checks will be drawn jointly to the owner and tenant. As soon as the allotment contracts are signed, banks and credit corporations can lend farmers up to 90 per cent of the probable amount of their benefit payments for the current crop year. The board will announce the probable payment to be made per bushel or pound to determine these loan values. Producers' notes secured by such contracts will be eligible for rediscount by Federal reserve banks.

Freedom of individual farmers: Each farmer has full liberty to decide whether he wishes to participate in the plan, regardless of whether he has voted or how he has voted. If he accepts the tariff-benefit payment, he agrees to control his production in accordance with the wishes of the majority of producers; if he would rather increase his production, he loses his right to share in the tariff-benefit payments.

Readjustment of allotments: Whenever a farm is sold or rented to a new tenant the allotment will be charged accordingly; that is, the allotment right goes with the land rather than with the man. Allotments can be redistributed in later years if changes in conditions warrant shifts in production between areas.

Publicity of allotments: In prorating the domestic allotments in any county to the farmers of that county the county and township committees will be guided by sworn statements of individual farmers, made on their ballots and on additional reports. These individual reports will be published in full in the local papers, and any individual will be free to question the accuracy of any farmer's report. This "honor system" of reporting, with publication and investigation of informal complaints as a check, has worked well in local assessment in many counties and will simplify the task of the local allotment committees.

Unclaimed benefits: Allotment benefits which are not claimed by farmers who prefer not to sign the contracts will remain in the allotment fund until a reserve has been accumulated and then will revert to the general receipts of the Treasury.

INDIVIDUAL FARM ILLUSTRATION

The way in which the plan would work may be illustrated in the case of an individual wheat grower whose 1932 crop is now in the ground. Take a man whose average acreage for the last five years has been 100 acres and whose average yield was 20 bushels an acre. His base production would then be 2,000 bushels. If the domestic allotment to his county was equal to 60 per cent of the base production for all the farmers in that county, this farmer would then receive an allotment of 1,200 bushels as the amount upon which he would receive payment of tariff benefits. He would sign a contract with the county committee that he would not plant more than 100 acres the next year (unless he "swapped" acreage with some other contracting farmer), or that he would reduce his acreage (up to 10 per cent reduction) if a general reduction were decided upon. As soon as the contracts were signed he could take his copy to the bank and borrow up to 90 per cent of its probable value upon it, or about $430.

As soon as his 1932 crop was ripe he would harvest it and sell it in the usual way to his local elevator or cooperative, receiving payment in full at the prevailing price, based upon the world market just as it is now. Then, at the end of the season, the local allotment committee would certify that he had kept his contract by not planting a larger acreage for harvest in 1933 than the 100 acres specified; and the farmer then would receive, by a check, the full payment of his tariff benefits. If these came to 40 cents a bushel, that would be $480 coming in at the end of the marketing year. If he had borrowed on his contract, the check would go first to the bank and he would receive the balance above the loan advance.

If a 5 per cent reduction in acreage had been decided upon for 1933, our farmer would be so notified by the local committee, and he would have to show them that he had planted no more than 95 acres for the new crop before his allotment would be paid.

Or if, with the 100-acre limit, our farmer wanted to grow 150 acres of wheat in 1933, he would have two alternatives: Either he could withdraw from the plan and lose his right to receive benefit payments for the year or he could arrange with some other farmer to plant 50 acres less than the amount specified in this second farmer's contract and to transfer the right to plant the balance to the first farmer. In the latter case he would not lose his right to the benefit payment, since his action would not be increasing acreage above the total on which the board was planning.

Assuming that wheat would sell at 50 cents a bushel at the farm in 1932, our farmer's income on a crop of 2,000 bushels would work out as follows:

Income without the plan in operation: 2,000 bushels, at $0.50	$1,000
Income with the plan in operation:	
2,000 bushels, at $0.50	1,000
Tariff benefits on 1,200 bushels	480
Total wheat income	1,480

The amount of the benefit payment would be the same no matter whether the farmer had a crop failure or a bumper yield. If he had a bad year and produced only 800 bushels on his 100 acres, he would still get the benefit payment on 1,200 bushels, which would provide a form of crop insurance; while if he had a bumper crop and had 3,000 bushels to sell, the benefit payments would still be just the same, on 1,200 bushels.

FEASIBILITY OF THE PLAN

Taken as a whole, the plan has three parts: The collection of tariff-adjustment charges, the payment of tariff benefits to producers in proportion to their domestic allotments, and the control or reduction of production through the contracts with producers. It is the most comprehensive and most feasible plan which has yet been presented for improving the position of the farmer. It meets all the practical objections which have been made against former plans. It secures the results aimed at by the bills proposed by the general farm organizations without the serious difficulties inherent in their proposals. We believe that as soon as they understand the measure they will accept this bill as a substitute for the ones they have proposed.

Since wheat prices would still be left undisturbed at the world level, use of wheat for feeding chickens, hogs, and other livestock would not be interfered with; the surplus would not be increased as it would if wheat prices were raised too high for feed use, as they might be under some of the other plans which have been proposed.

On cotton, tobacco, and rice the plan would work much as has been outlined here for wheat except that the domestic allotments on tobacco might be worked out separately on burley, dark-fired, etc., so as to adjust the production of each to its own demand. When the scheme was applied to hogs it might be necessary to control corn acreage, as well as production or sales of hogs, so as to prevent the reduction in hog surpluses from leading to a new surplus of beef or lambs. Such questions would be worked out as the proposal was developed in operation.

BURDEN OF THE TARIFF-ADJUSTMENT CHARGE

The tariff adjustment charges, collected from the processor or manufacturer, would mostly either be absorbed by them or by other concerns in the process of distribution, or be passed on to the consumer. In some products, such as tobacco, where the cost of the raw material makes only an insignificant part of the retail price of the finished product, the charge might be largely absorbed by the manufacturer with little difficulty. In other products most of the charge might be passed on to the consumer. Even there the farmer now receives such a small part of the re-

tail price that even if all the charge was passed on there would be little extra burden upon consumers.

In the case of wheat, for example, the farmer is now receiving about three-fourths cent out of the 7-cent average retail price of a pound loaf; in cotton goods the cost of the raw material is only a small fraction of the retail price, perhaps only 10 per cent; in rice the farmer receives about 23 cents out of each dollar spent by the consumer; while with hogs the farmer receives about 25 cents from each dollar the consumer pays for pork and lard. Even if all the cost were passed on, an increase of 25 per cent in the returns to the producer would increase retail prices by not over 6 per cent, and not all the cost would be passed on.

In some products, especially hogs, the higher retail price might have a slight tendency to reduce consumption and cause increased exports. Any harmful effects of this on world market prices would be prevented by either of two ways, (a) by reductions in production in the following year, which would compensate for the effect of the modest price advance on consumption, and (b) by minor stabilization purchases by the Farm Board, to be held off the market until those reductions in production had become effective. In this way the plan would absolutely prevent export dumping and the demoralized world prices and foreign retaliation which would go with dumping and instead would help stabilize world markets as well as our own.

The stabilization operations of the Farm Board provided under the agricultural marketing act can not be permanently successful, for the act does not provide any effective device for controlling production. This new plan provides the necessary arrangements by which production can be controlled. With definite ability to control subsequent production, the Farm Board could then safely go ahead and make minor stabilization purchases when needed in especial circumstances, knowing that production in subsequent years would be reduced to an extent that would enable the board to dispose of its purchases without loss.

Under the plan as proposed there is little or no opportunity for the tariff-adjustment charge to be taken out of the producer instead of being paid by middlemen and consumers. The price paid to the producer remains the world market price, just as it is now; the charge could be passed back to the producer only by beating down the world market price. The provisions for controlling production and for minor stabilization purchases where temporarily necessary would effectively prevent this; the effect of the plan would be to give producers a pre-war purchasing power for that part of their production needed for the domestic market.

The provision limiting the extent to which prices may be raised automatically prevents farmers from using this new power to extort an undue advantage from other groups. They may raise their products to a normal exchange relationship with other products but no higher. Incidentally, it should be noted that this is granting farmers far less advantage than other groups have enjoyed in the past. Tariff measures or other devices to help particular groups have never carried any automatic provision to protect consumers from extortionate prices. Our present proposal will give farmers their fair income but no more.

PROBABLE NET BENEFITS TO PRODUCERS

As has already been indicated, the payment of tariff benefits would be only a small part of the advantages to be derived from this plan; the control of production and the elimination of depressing surpluses would be even more important in the long run. However, some idea of the immediate effect which the plan would have on farmers' incomes at once may be obtained by working out what the collections from the tariff-adjustment charges would be. Since consumption of cotton, tobacco, and other products are now low because of the depression, these estimates have been prepared as maxima and minima, the former based on normal consumption and the latter upon present consumption under depressed conditions. All these estimates are based upon the consumption on which tariff-adjustment charges would probably be paid, leaving out quantities used for seed, feed, home farm consumption, and export, which would pay no charge.

Estimated tariff benefit payments

To producers of—	Minimum	Maximum
	Million dollars	*Million dollars*
Wheat	180	200
Cotton	115	160
Tobacco	35	45
Rice	5	6
Hogs (and beef, through competition)	300	400
	635	811

The producers of these five products received under $2,000,000,000 from their 1931 production, and will receive still less in 1932 unless some aid is provided. It is evident that the immediate increased income which might be obtained for farmers through this plan would be of material assistance in helping them through the depression and in improving as well the financial position of banks, insurance companies, local governments, local business men, and all those whose welfare is intimately tied up with the welfare of farmers.

The provision for bank loans on allotment contracts would enable farmers to receive much of this increased income at once, long before most of the tariff-adjustment charges had been collected. If this proposal were put into operation during the summer of 1932, farmers might be able to borrow half a billion dollars from banks. This immediate increase in credit in use, together with the effect of relief measures which have been proposed for other groups, would be of general assistance in checking the long decline in prices and in helping start the beginning of recovery in prices and in business activity.

Control of production: The long-time advantages of this plan are even more important than the short-time advantages. The plan provides for the first time a definite method by which farmers can decide to restrict or to reduce production, and that decision can be made effective. Ordinarily when farmers agree to reduce production those who keep their word suffer from their smaller volume, whereas those who fail to reduce or who increase reap all the benefits. Under this plan that is no longer true; the men who control their production share in the tariff benefit payments, while the men who increase production receive only the export price. The plan therefore provides an effective and yet a democratic method by which production can be reduced and agricultural surpluses can be controlled. Even if the plan did not provide any immediate cash benefits at all this feature alone would improve the position of farmers in the long run.

There are over 6,000,000 farmers; their lack of any organization to plan production has resulted so far in ruthless competition among them, in overproduction, and in demoralized prices. This plan provides a means through which farmers can cooperate in planning production, just as they are already authorized to cooperate in marketing. It is not in any sense a socialistic step. The steel industry, the aluminum industry, the copper industry, and many others have long controlled their production through their large corporate organizations. Only the farmers have been unable to control their own operations. This plan provides a mechanism through which farmers can secure for themselves some of the same advantages which the planning and control of production have given to other producers under our present capitalistic institutions.

STUDY OF GOVERNMENTAL EXPENDITURES

Mr. McKELLAR. Mr. President, I ask unanimous consent for the immediate consideration of Senate Resolution 279. I will say that it requires no appropriation, but merely continues the committee that has been in existence at the present session.

Mr. GLASS. I desire to ask if it would involve the displacement of the pending joint resolution?

The VICE PRESIDENT. It would not. The Chair is advised that it will be necessary to discharge the Committee on Appropriations from the further consideration of the resolution.

Mr. McKELLAR. I ask that that be done.

There being no objection, the Senate proceeded to consider the resolution submitted by Mr. McKELLAR on the 15th instant, which was read, as follows:

Resolved, That the subcommittee of the Committee on Appropriations heretofore appointed to consider and report economy measures, namely, WESLEY L. JONES, HIRAM BINGHAM, L. J. DICKINSON, KENNETH McKELLAR, SAM G. BRATTON, and JAMES F. BYRNES, be, and the same are hereby, appointed by the Senate of the United States to continue the study of governmental expenditures and report at the next session of Congress its recommendations as to what modifications, if any, should be made in the provisions of the so-called economy act enacted at this session; also what further economies in governmental expenditure can be wisely effected either by the reduction of appropriations or the abolishment or consolidation of existing departments, bureaus, or independent establishments of the Government.

Mr. McNARY. I did not catch the nature of the resolution.

Mr. McKELLAR. It merely continues the economy committee for the purpose of continuing its work.

The VICE PRESIDENT. Without objection, the resolution will be agreed to.

ENROLLED BILLS AND JOINT RESOLUTION PRESENTED

Mr. VANDENBERG (for Mr. WATERMAN), from the Committee on Enrolled Bills, reported that on to-day, July 16, 1932, that committee presented to the President of the United States the following enrolled bills and joint resolution:

S. 4569. An act relating to loans to veterans on their adjusted-service certificates;

S. 4780. An act to provide that advances under the Reconstruction Finance Corporation act may be made to producers of livestock, including poultry, and to dairy farmers, and may be made for crop planting or crop cultivation, including summer-fallowing, during the year 1932;

S. 4912. An act to protect the copyrights and patents of foreign exhibitors at A Century of Progress (Chicago World's

Fair Centennial Celebration), to be held at Chicago, Ill., in 1933;

S. 4976. An act granting the consent of Congress to the Highway Department of the State of Tennessee to construct a bridge across the South Fork, Forked Deer River, on the Milan-Brownsville Road, State Highway No. 76, near the Haywood-Crockett County line, Tenn.; and

S. J. Res. 206. Joint resolution making available to the Banking and Currency Committee of the Senate certain information in the possession of the Treasury Department and the Bureau of Internal Revenue.

SALE OF LANDS IN THE DISTRICT OF COLUMBIA

The VICE PRESIDENT laid before the Senate the amendments of the House of Representatives to the bill (S. 4712) entitled "An act authorizing the sale of certain lands no longer required for public purposes in the District of Columbia," which were, on page 1, line 6, after "part," to insert "to the highest bidder at private sale"; on page 2, line 2, after "States," to insert ", and also not less than the appraised value after an appraisal of its value is first made"; and on page 2, to strike out all after line 5 down to and including "sold," in line 7.

The VICE PRESIDENT. The Chair calls the attention of the Senator from Kansas [Mr. CAPPER] to the action of the house on this bill.

Mr. CAPPER. I move that the Senate concur in the House amendments.

Mr. TRAMMELL. Mr. President, I desire to ask a question about the conference report. May I ask the chairman of the committee what the amendments are? There was something about private sale of property, as I understood.

Mr. CAPPER. The amendments provide for sale to the highest bidder at private or public sale. The bill refers only to three small tracts of land here in the District of Columbia. The District government agrees that it is to the interest of the District to sell these lands. There is nothing whatever of a controversial nature in the bill. It is not of major importance at all.

Mr. TRAMMELL. The bill as amended authorizes either private or public sale, does it?

Mr. CAPPER. Yes; but to the highest bidder.

Mr. TRAMMELL. I think it ought to have been restricted to public sale. I do not like these star-chamber sessions for the sale of public property; but, of course, I can not remedy that situation now.

The VICE PRESIDENT. The question is on the motion of the Senator from Kansas.

The motion was agreed to.

NEGOTIATION OF TREATY WITH CANADA RELATIVE TO LOAD LINES

Mr. JONES. Mr. President, will the Senator yield to me for a moment?

Mr. GLASS. For what purpose?

Mr. JONES. I have a Senate resolution which I should like to pass.

Mr. GLASS. It will not displace my motion?

Mr. JONES. No; I should not want it to displace that at all.

Mr. ROBINSON of Arkansas. Let the resolution be read.

Mr. JONES. I will state that under article 2 of section 2 of the international load line convention, arrangements may be made between countries that have narrow channels by which they can be relieved of putting the load line on vessels. Puget Sound and the waters there between Canada and the United States are very narrow channels. This resolution asks the President to enter into an arrangement on the subject with Canada.

Mr. GLASS. It will involve no discussion?

Mr. JONES. No; no discussion.

Mr. GLASS. I yield.

The VICE PRESIDENT. The resolution will be read.

The Chief Clerk read the resolution (S. Res. 265), submitted by Mr. JONES on the 9th instant, as follows:

Resolved, That the President of the United States be requested to negotiate a treaty in conformity with article 2 of section 2 of the International Load Line Convention of 1930, between the United States and Canada, whereby the vessels of each of said countries shall be exempted from the provisions of the act entitled "An act to establish load lines for American vessels, and for other purposes," approved March 2, 1929, so long as they shall remain in trade between ports on Puget Sound and adjacent waters of British Columbia and southeastern Alaska.

The VICE PRESIDENT. Is there objection to the present consideration of the resolution?

There being no objection, the resolution was considered by the Senate and agreed to.

NOTIFICATION ADDRESS BY HON. THOMAS J. WALSH

Mr. BARKLEY. Mr. President, I ask unanimous consent to have printed in the RECORD the formal address of the senior Senator from Montana [Mr. WALSH], as permanent chairman of the Democratic National Convention at Chicago, notifying the next President of the United States, Gov. Franklin D. Roosevelt, of his nomination.

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

NOTIFICATION ADDRESS BY HON. THOMAS J. WALSH, OF MONTANA, PERMANENT CHAIRMAN OF DEMOCRATIC NATIONAL CONVENTION

Governor Roosevelt, it becomes my pleasing duty as the chairman of this Democratic National Convention and of its committee specially designated for that purpose, formally to notify you of your nomination by it for the office of President of the United States, arrived at on Friday by a vote of 945 out of a total of 1,135½ votes.

The action thus taken was but the confirmation of the choice registered from time to time in the election of delegates and in the expression of State conventions in all quarters of our common country—notwithstanding the spirited rivalry of aspirants who met the highest standards of statesmanship.

PRAISES ROOSEVELT'S RECORD

This honor comes to you, if I may be permitted to say so, as the reward of an unblemished life, a spotless reputation, a high devotion to the public weal, and a capacity for public service, exhibited in exalted official positions in the most trying times and under the most exacting circumstances.

The success with which you have during the past three years and more administered the affairs of the Imperial State of New York as its governor has led to the well-grounded hope that, embracing ardently the principles of our historic party, you may pursue the course and find a way as the Chief Magistrate of the United States through which its mighty energies may again be unloosed and applied at unslackened pace.

One contemplates in awe the situation that confronts us—too harrowing in its detail, too notorious to require recital—to dwell on here.

BLAMES REPUBLICAN PARTY

An eminent American journalist, returning from Europe some months ago, said that while in America the question is asked, "When will the depression end?"; in Europe the question is asked, "Can capitalism survive?"—meaning the prevailing economic system.

If it can or does, it will be only by its more complete democratization. If it totters now, it is because of the abuses which have been developed in it and which the Republican Party has done so much in this country to tolerate, condone, and even promote.

The Democratic Party has never professed to be an insurer of prosperity. It modestly assigns to the bounty of Heaven our free institutions and the virility of our people, the material blessings we have hitherto enjoyed, the just distribution of which our Government may mar or protect, but the substance of which it can not bestow.

POINTS TO TASK AHEAD

It need not be expected of you accordingly or of any administration of which you shall be the head to shower blessings on a smiling land. All that may be looked for is that you and they will intelligently and courageously see that the restorative processes of enterprise, industry, frugality, and thrift shall have free play and that monopoly and other forms of covert robbery are not unmolested.

I venture to pledge you on behalf of this great convention and the constituencies represented by the delegates comprising it their loyal, cordial, and enthusiastic support in the coming election in which even our political adversaries admit we can not fail except we blunder.

Confident that they get no comfort out of your nomination, we greet you now as our leader for the restoration of wise government on the lines conceived by the founder of our party, expressed as to present-day problems in the platform adopted by this convention.

SOPHIA A. BEERS—CONFERENCE REPORT

Mr. HOWELL. Mr. President, will the Senator from Virginia yield that I may present two conference reports?

Mr. GLASS. I yield for that purpose.

The VICE PRESIDENT. The Senator from Nebraska submits a conference report, which will be read.

The Chief Clerk read as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 811) entitled "An act for the relief of Sophia A. Beers," having met, after full and free conference have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendment of the House numbered 2, and agree to the same.

Amendment numbered 1: That the Senate recede from its disagreement to the amendment of the House numbered 1, and agree to the same with an amendment as follows: In lieu of the sum named in said amendment insert "$4,000"; and the Senate agree to the same.

R. B. HOWELL,
FREDERICK STEIWER,
Managers on the part of the Senate.
LORING M. BLACK, JR.,
J. BAYARD CLARK,
U. S. GUYER,
Managers on the part of the House.

Mr. HOWELL. I move that the Senate agree to the report.

The VICE PRESIDENT. The question is on the motion of the Senator from Nebraska.

The motion was agreed to.

ESTATE OF ANNIE LEE EDGECUMBE

The VICE PRESIDENT. The Chair lays before the Senate another conference report submitted by the Senator from Nebraska, which will be read.

The Chief Clerk read as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 2437) entitled "An act for the relief of the estate of Annie Lee Edgecumbe, deceased," having met, after full and free conference have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its amendment numbered 1.

That the Senate recede from its disagreement to the amendment of the House numbered 2 and agree to the same.

R. B. HOWELL,
ARTHUR CAPPER,
Managers on the part of the Senate.
LORING M. BLACK, JR.,
J. BAYARD CLARK,
U. S. GUYER,
Managers on the part of the House.

Mr. HOWELL. I move that the report be agreed to.

The report was agreed to.

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Haltigan, one of its clerks, informed the Senate that Hon. JOHN MCDUFFIE, a Representative from the State of Alabama, was designated Speaker pro tempore of the House.

ENROLLED BILLS SIGNED

The message also announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the Vice President:

S. 811. An act for the relief of Sophia A. Beers;

S. 2437. An act for the relief of the estate of Annie Lee Edgecumbe, deceased; and

S. 4712. An act authorizing the sale of certain lands no longer required for public purposes in the District of Columbia.

PROHIBITION—CONSTITUTIONAL AMENDMENT

Mr. GLASS. I ask for a yea-and-nay vote on proceeding to the consideration of the joint resolution dealing with prohibition.

Mr. NORRIS and Mr. BROOKHART addressed the Chair.

The VICE PRESIDENT. The motion to proceed to the consideration of the joint resolution is debatable. Is there further debate?

Mr. NORRIS. Mr. President, I desire to make a motion with reference to this joint resolution.

The VICE PRESIDENT. That motion is in order at this time, before the roll is called, and before any action is taken.

Mr. NORRIS. I understand that the Senator from Virginia [Mr. GLASS] has the floor. I do not want to take him off the floor.

The VICE PRESIDENT. No; the Senator from Virginia has just asked for the yeas and nays.

Mr. BROOKHART. Mr. President, before the Senator makes his motion, I should like a little time for discussion.

Mr. NORRIS. I will make my motion. It will be debatable, as I understand.

The VICE PRESIDENT. It will be.

Mr. NORRIS. If the Senator will let me make the motion, he can debate that motion.

I move that the joint resolution referred to by the Senator from Virginia be referred to the Committee on the Judiciary.

The VICE PRESIDENT. The question is on the motion of the Senator from Nebraska.

Mr. BINGHAM and Mr. BROOKHART addressed the Chair.

The VICE PRESIDENT. The Senator from Iowa.

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

Mr. BROOKHART. For how long?

Mr. BINGHAM. About a minute.

Mr. BROOKHART. Very well. I do not want to yield the floor.

Mr. BINGHAM. Mr. President, I was just going to ask the Senator from Nebraska if he would not withdraw that motion. I should like to have the motion of the Senator from Virginia, that we take up this matter, prevail. I hope the Senator from Nebraska will permit us to discuss the matter which the Senator from Virginia has offered. He has made a motion to take something from the table. I hope the Senator will withdraw his motion.

RADIO ADDRESS BY MRS. JESSE W. NICHOLSON

The VICE PRESIDENT. The Senator from Iowa has the floor.

Mr. BROOKHART. Mr. President, I ask to have printed in the RECORD the address of Mrs. Jesse W. Nicholson, president of the National Woman's Democratic Law Enforcement League, and editor of The Woman Voter over a nation-wide hook-up July 4, 1932.

The VICE PRESIDENT. Is there objection?

Mr. TYDINGS. Mr. President, did I understand that the name was Mrs. Jesse Nicholson?

Mr. BROOKHART. Yes.

Mr. TYDINGS. I object.

Mr. NEELY. So do I, Mr. President.

The VICE PRESIDENT. The Senator from Maryland and the Senator from West Virginia object.

Mr. BROOKHART. Mr. President, this is an address by Mrs. Jesse W. Nicholson, of Chevy Chase, Md., president of the National Woman's Democratic Law Enforcement League and editor of The Woman Voter, over a nation-wide radio hook-up at Indianapolis, Ind., July 4, 1932.

Mr. TYDINGS. I object again, Mr. President.

The VICE PRESIDENT. The Senator can read it if he desires.

Mr. BROOKHART. The Senator seems to be full of objections to-day, so I will read this speech. [Laughter.] I hope he will stay and listen to it all the way through. It will do him good.

Mr. GLASS. May I inquire if it was paid for, because this lady was employed at a salary in the last political contest we had of a national nature?

Mr. BROOKHART. I did not contribute anything to the salary. I do not know anything about that.

Mr. BROOKHART proceeded to read the address. During the reading,

The VICE PRESIDENT. The Senator from Iowa will suspend until the Senate is in order.

Mr. BROOKHART. If we could get the Senator from Maryland to listen, I would not care so much whether the others did or not.

The VICE PRESIDENT rapped for order.

Mr. BROOKHART. Mr. President, since the Senator from Maryland will not stay and listen to this speech, I again ask unanimous consent to have it inserted in the RECORD.

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

The address follows:

The Republican and Democratic National Conventions have closed, one adopting a moist, straddling plank, while the other adopted a wringing-wet plank.

One could not have witnessed either convention without asking:

"Where is our civilization that was built by men and women of brains and patriotism, striving through past centuries for the attainment of exalted ideals in civil government?

"Where is the strength, the dignity, the majesty of the law that had its first birth in England's Magna Charta over 700 years ago and long afterwards in America's Declaration of Independence and the Constitution of the United States?"

From what we saw there we are forced to ask, Is it possible that the citizens of this country have descended from those superb heights of victory in law achievements to the darkness and helplessness of the jungle of lawlessness?

Have our officers ceased to be men? Have the courts lost their power? Has the rock of our Government dissolved into shifting sand? The soul of our Nation has fallen asleep in the arms of Mammon. Money has become the god of our people.

In our mad rush for wealth the law has lost its sovereignty. Men and women in high places defy statutes and constitutions and cast them aside as mere scraps of paper.

No well-informed person could sit through those two conventions without coming to the conclusion after seeing in the boxes representatives of the Power Trust, Wall Street, and the international bankers—there no doubt to see their wishes carried out—that they had joined hands with the rabble in an unholy alliance that will prove disastrous in this country sooner or later.

In many parts of our country, the judiciary is looked upon with contempt—justice is at a premium. Judges are in control of powerful political machines—particularly in the large cities—until to-day the very foundations of our Government are tottering.

We have reached the crucial stage in the development of democracy. We have now come to the place where we must choose between lawlessness and civilization—for it is impossible for both to endure under the same form of government.

In this critical hour, the country is looking to American women, when men have chosen to raise the question of the Constitution and its laws, which must be settled—not by Liquory Digest polls, propaganda, or harangue from the galleries composed of gangsters and the underworld in political conventions, but by the same judgment and quick action of a majority of the thinking people of this country.

My friends, American sentiment can not be measured by biased newspapers and boisterous demonstrations like we have witnessed in the two great conventions. It took the moral forces 100 years to write the eighteenth amendment into the Constitution. Shall we by our votes in November give up that which has been the greatest achievement of all time? Shall America repeal the only law now protecting our homes and our children?

One of the opponents of prohibition appearing before the Democratic resolutions committee begged the committee to let millions vote on this question now, who have not had an opportunity before to vote on it.

What a ridiculous statement. Why, my friends there are millions living to-day who have never had an opportunity to vote on any other amendment in the Constitution or the ten commandments.

Shall we repeal all these—that the present-day generation may have an opportunity to vote them out, or vote them in?

Already the 1932 campaign has begun—politicians are trying to deceive you by saying that the Republican convention has given us a dry plank in their party platform.

A vote to submit the eighteenth amendment to repeal is a wet and not a dry plank. The party platform planks are generally designed for the moron—unthinking American—and not for the intelligent voters.

"Woe unto them that decree unrighteous decrees and that write grievousness which they have prescribed."

The carrying of these national conventions to that city of Sodom and Gomorrah, famous for its gangsters, which we saw in all their glory, should be a forewarning to us.

A city whose press is censored, only the opponents of morality and decency being able to get a line into the newspapers. Only one side given. And I warn these news pervaders that they are sowing a whirlwind—that sooner or later they will have to reap.

These political invisible powers that control the press and are working to bring back liquor are not fooling us. For we remember how these same conditions prevailed long before we had prohibition. We haven't forgotten when these same liquor interests had the stranglehold upon our civilization and the alien industry.

And how they raised their corruption funds.

And how they organized their following.

And how they manipulated labor.

And how they boycotted big business.

How they dishonored womanhood.

And how they overrode the law.

And how they degraded politics.

And how they now are bent upon breaking down the Constitution of our country.

And who to-day have one of the most powerful liquor lobbies at the Nation's Capitol they ever had before prohibition.

Do not let either political party trick you into voting for repeal of the eighteenth amendment by their joker in the platform which was designed by the liquor advocates to catch and fool you.

There is no such thing as submitting the eighteenth amendment to the people direct, as our form of government is not a pure democracy but a representative republic, and there is no provision for the national submission of any question to the people direct.

We have never had a vote upon the tariff, upon taxation, or any other question, not even upon the declaration of war. Why should we have it on the eighteenth amendment?

It is only in States that questions are submitted to a direct vote of the people, and in the States no other question has been voted upon so widely or repeatedly as prohibition.

If prohibition is repealed, what is to take the place of it? All our adversaries will say is to turn it back into the States. You are all familiar with this State rights on the liquor question. You recall when we had county and State option how we had to drive the liquor traffic out entirely because they would not respect the rights of the counties and the States, and in order to have "home rule" our people had to drive the liquor traffic out of the United States. So came the eighteenth amendment.

What assurance do they give us if the eighteenth amendment is repealed we will not have these same conditions back again, only worse, for with airplanes and automobiles it would be easier to ship liquor into States now than before we had prohibition?

Don't tell me if Uncle Sam, with all his power, with the Army and the Navy, can't enforce any law we have made that any State can do better.

Oh, yes; our opponents promise that the saloon shall not come back. Why not? If Uncle Sam can not enforce the eighteenth amendment, he can not prevent the saloon from coming back.

The wets were against the going of the saloon, and they are not adverse to its return. If you bring back liquor in any form, you are going to have the old saloon back in full glory—not as an outlaw, but operating under the law—with the Stars and Stripes flying over everyone as their protection.

The politicians in both parties are trying to fool us. The roads they would lead us on have been recently oiled with fine promises, but roads recently oiled are often slippery when wet.

It is a travesty on justice that these millionaire bankers who have brought on this, the greatest depression of all ages, should now focus attention upon how we can get a glass of beer, when our people are starving and want bread.

Prohibition is being used as a smoke screen to deceive us. This invisible oligarchy rules this country.

They have brought on this depression. These eastern capitalists have joined hands with the gangsters and the underworld to wrest the control of politics from the South and the West. It is Main Street against Wall Street. They say let the people speak—yes, through boss-ridden conventions.

These bankers who have manipulated the stock markets and made millions overnight, bringing ruin and chaos in our country—driving millions to an early grave, after persuading the people to buy—have sold short.

No wonder some of them become suddenly sick when they are forced to come to Washington to testify to the part they have played in trying to wreck our Government, and then use prohibition as a smoke screen to hide their rascality.

We challenge these high priests of finance. We women do not intend to see our civilization sink to lower levels simply to help these bankers and big business in their financing of the liquor interests.

We warn them to listen to the rumblings before it is too late. We are at war—make no mistake about that—war to a finish in which American woman must do her part.

Just so long as you elect candidates to high office who will do the bidding of these evil forces, just so long will we have these conditions.

The old parties as now constituted, are not the parties of Jefferson and Lincoln—for the people, of the people, and by the people; but they are of the machine, by the machine, and for the machine.

Jefferson said: "Were I to begin my administration again the first question I would ask of those seeking office would be, 'Is he addicted to the use of ardent spirits?'"

Lincoln said: "Liquor might have defenders but no defense." Let us, therefore, declare our independence from these machines. Down with the machine government—down with their satellites, the gangsters."

When men and women are willing for public office to sell their very souls, and rob us of our most precious heritage, let us rob them of the fruits of office. Unless we crush them now they will crush us for daring to oppose them.

During the World War we had traitors to our country and our flag, just as we have traitors to our Constitution to-day. To whom did our constituted authorities turn in that emergency—to American women, who stood the test and helped us win that war.

Again in this critical hour American women, of the right sort and kind, must be mobilized in this crusade for justice and righteousness.

Let us go back to our homes with a new declaration and a new emancipation and a determination not to be stampeded into voting for a party machine.

No home is safe now nor will any home be safe if the present alliance of the rich and the rabble succeed. We have seen while in Chicago how these gangsters have come into the churches and public meetings and tried to break up our meetings, with no interference from the officers of the law. Is this the kind of leadership you want?

Shall these enemies of our country get a firmer hold upon our civilization with the help of big business?

I appeal to the women of America, women—one-half the electorate—who have never had an opportunity to be heard, to join with the decent mothers of America to rid this country of these gangsters. Think of your own children and your homes.

We women have asked for no office; we went before the resolutions committee of both parties asking them to preserve the law that will protect our homes and our children.

Their answer has been that we must with them work to repeal the greatest law that was ever passed for the sake of humanity.

Women, if you are not willing after this ultimatum from these old boss-ridden parties to fight now to the last ditch and risk everything on the altar of faith to preserve our Magna Charta and drive these money changers from the temple, it will be too late after they have a firmer grasp upon our civilization. Your country calls you to serve; what is your answer?

Hear the cry of Baby Lindbergh, who was snatched from the bosom of his mother—whose father brought so much honor to our country. This father of all fathers, who had a right to expect the protection for his child and his family. Such a tragedy in civilized America.

O God, give us a leader for such a time as this. Speak through the women of America. Let them rise up in righteous indignation and defeat these enemies of our Nation. And like our forefathers, who faced the contempt of thousands, the hostility and suspicion of friends, working to make America a better place to live in.

Dreaming of a day when their children would be born into a country where liquor and its curse would not be known.

Dreaming of the day when the laboring man would no longer be robbed of his earnings by a blood-soaked aristocracy of brewers and distillers.

Dreaming of a day when their women would be liberated from the fear and awfulness of drink-soaked husbands and drink-wrecked children.

To bring this dream to pass they toiled—toiled incessantly, and poured out their money and talent, many of them dying in the fight, killed by their incessant fighting.

To-day they are speaking through Baby Lindbergh—begging us not to give up the fight.

They are passing on the torch to us, pleading to the women of America to carry on. Carry on. And we must not surrender nor fail them.

A RECKONING—TWELVE YEARS OF REPUBLICAN RULE

Mr. ROBINSON of Arkansas. Mr. President, I ask leave to have published in the RECORD an article from the Yale Review of the issue of June, 1932, entitled "A Reckoning—Twelve Years of Republican Rule," by Walter Lippmann.

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

A RECKONING—TWELVE YEARS OF REPUBLICAN RULE

By Walter Lippmann

During the coming campaign the Democrats will proclaim from every platform that the Republicans are responsible for the hard times. The question which I shall venture to examine here is in what sense and in what degree this charge can fairly be brought.

It is not an easy question to answer. For it is not enough to point out the devastating contrast between the Republican promises in 1928 and the hard actualities of unemployment, deficits, and bankruptcies in 1932. If, for example, the causes of the trouble lay in circumstances over which the Republican Party had had no control, if the country had been visited by a calamity of nature or by unpredictable misfortunes originating in the outer world, all that fairly could be said about the promises of 1928 would be that they were foolish. The Republican régime of the last 12 years is not necessarily responsible for the present calamity merely because it claimed the credit for the preceding prosperity. The truth might be that, like Chanticleer, the Republicans crowed, imagining in their vanity that they had caused the sun to rise.

Since men are hungry in the presence of unsalable surpluses of all desirable commodities, it is clear enough that the country has not suffered a calamity of nature but a breakdown in the management of its wealth. Our question, then, is whether the breakdown can justly be ascribed in a decisive sense to policies which the Republican Party has sponsored during its 12 years of power. In answering this question in the affirmative it is not necessary to show that the Democratic Party would have avoided the breakdown or that it now knows how to mend it. The fact is that the Republican Party has ruled the country during the whole postwar era. It has ruled it with certain policies. If those policies have brought disaster, it is useful to know that, though the Democrats might have done no better.

For what must concern us most of all is not the outcome of the next election, nor the fate of individual candidates, but the controlling ideas of the postwar era. We have lived for the last 12 years under a system of policies, and at the end we are in great trouble. It is that system of policies that I propose to discuss.

Let us begin by naming and describing briefly certain cardinal policies of the Republican régime. First, in order of time, we may put the decision of 1921 to withdraw abruptly and completely from European affairs. This decision at once undermined the peace settlement. For the Allies could never have dictated that settlement but for the victory which our intervention in Europe made it possible for them to win.

Since the decision to withdraw was reached after the treaty was signed, but before it could either be revised or made effective, it followed that Europe was condemned to a long period of political instability. An attempt to enforce the treaty of Versailles was inevitable once the vested rights of the victors had been established. Resistance to the treaty was inevitable as soon as the coalition which dictated it was dissolved. Revision of the treaty, though inevitable, was certain to be a long and contentious process once the stabilizing and moderating influence of the strongest and most disinterested power had been removed.

There can be no serious doubt, therefore, that the abruptness and completeness of the American withdrawal left Europe with a new constitution which would not voluntarily be fulfilled, could not be enforced, and had to be revised by prolonged agitation and maneuver. The Republican decision of 1921 entailed a long period of European instability. For it left Europe not with a peace but with an armistice.

Second, in order of time, was the decision to erect tariffs which would effectively close the American market to the importation of European manufactured goods. This was not, I believe, the avowed purpose of the Fordney-McCumber tariff. But by the Hawley-Smoot Act of 1930 the policy was openly avowed; the American market was to be monopolized and only such raw materials and semimanufactured articles admitted as could not be produced in the United States.

Third, in order of time, was the decision taken to expand aggressively the export of American manufactures. In this policy Mr. Hoover played a leading part, as can be seen by examining the annual reports of the Secretary of Commerce. Thus in explaining "the reasons why we were expanding our exports of manufactured goods," Secretary Hoover said in 1926: "Under the pressure of high wages we have ruthlessly revised our industry with every new invention. Beyond this there is great and cooperative movement in American industry and commerce for cutting out waste in a thousand directions through improved business practice, through simplification of processes and methods. Furthermore, we have had a great advantage, which we must not deny, in that by volume production, made possible through a great domestic market, we have been able by repetitive processes to apply or focus every advance into standard commodities of high quality and low cost of production."

In other words, we were to expand our exports of manufactured goods by underselling our competitors through the economies of mass production. In 1926 Secretary Hoover noted that under his administration of the Department of Commerce there had been held "1,200 group conferences" and that there were 343 committees at work encouraging the methods of mass production. The inevitable corollary of this commercial policy was an increase of capital investment. For the necessary condition for mass production is the use of expensive machinery. In Secretary Hoover's report for 1927 it is pointed out with satisfaction that "an immense increase has taken place in the capital employed in American industry, * * * new issues of capital securities alone totaled more than $6,000,000,000 in 1926."

Thus under Republican guidance, and specifically under Mr. Hoover's active encouragement, immense masses of capital were invested in industries devoted to mass production. The investment was encouraged on the premise that the surpluses thus produced could be profitably exported.

Fourth, in order of time, was the decision to finance this expanded export trade by large-scale foreign lending. For having by our tariff policy closed the American market to Europeans, having decided to thrust our exports into their markets, having determined to compete aggressively against them in the neutral markets of Latin America and of Asia, there were no ways by which they could balance their accounts with us except by sending us their gold and by borrowing from us. The Republican Party had

determined that as a creditor power we should at one and the same time refuse payment by imports and expand aggressively our exports. This feat could be accomplished only by draining the world of gold and by lending the world enough money to cover its debts and its excess purchases.

In his report for 1927 Secretary Hoover pointed out, apparently with pride at the achievement of a new record, that "foreign underwriting by Americans during the fiscal year exceeded that of any corresponding period in the history of the United States." He went on to note that "the excess of exports over imports in 1926–27 was $716,000,000"; that "in part payment for this balance there was a net import of gold of $148,000,000"; he added: "However, the other factors in our international balance of accounts are of vast and increasing importance, and undue significance is not to be attached to the balance in the movement of merchandise and gold alone. As in other recent years, 1926–27 witnessed the great purchase of foreign bonds and other investments for which exports must pay." Secretary Hoover, it is interesting to note, had estimated that our net export of capital was about $600,000,000 that year. Add that to the $148,000,000 gold imported, and it is not difficult to see how foreign countries paid for the $716,000,000 of excess imports. They paid with their gold and with our loans.

There is a fifth major policy, which should in fairness be distinguished from those I have dealt with, though it must be taken into account. It has to do with reparations and war debts. I distinguish it from the others because this policy was inherited from President Wilson's administration.

This policy called for the receipt of several hundred million dollars annually from the European creditors of Germany. All that need be remarked about it in this connection is that the other policies I have enumerated were superimposed upon this prior claim. The refusal to participate in the making of a final settlement of the war, the adoption of a policy of virtual exclusion against European imports, the aggressive expansion of exports of mass production, and the encouragement of huge private lending to Europe and other lands were all subsequent to the decision to collect war debts.

Now, I think it can justly be said, as it was said innumerable times by all sorts of critics, that these five policies were a composite of folly. A case can be made for each of them separately, perhaps for two or three of them together. But no case can be made for them all collectively.

It can be argued, for example, that the highest interests of the American people call for a policy of national isolation. Or it can be argued that their interests require that they become the world's banker. But what kind of statesmanship is it which encourages a people to become the banker of an unstabilized world? If it was wise to let Europe stew in its own juice, it was folly to invest enormously in Europe. If it was wise to invest, then common prudence required that the diplomatic power of the United States be used to provide some security for those investments. It can also be argued that since we are so largely self-sufficient, we are justified in monopolizing our markets. Or it can be argued that because of our natural advantages we are specially equipped to develop a great export trade in manufactures. But what can be said of the statesmanship of men who seek to monopolize the home market, to invade all foreign markets, who in order to do such patently contradictory things encourage the export of American savings into a world which already owes large governmental debts, which is politically insecure, which is without the means to repay what it borrows?

All that can be said to mitigate the responsibility of those who administered this system of policies is that for a while the system worked in such a way as to subvert the judgment of American bankers and industrialists and to intoxicate the voters with the fumes of a great inflation. For unhappily the system of policies did not break down at once. The worst feature of it was that it first produced a boom and by that boom turned the inevitable breakdown into a gigantic disaster.

Thus the instability of Europe, which our abrupt withdrawal had made inevitable, which our subsequent foreign policy did nothing to abate, produced such insecurity in Europe that capital fled or was destroyed by inflation. As a result interest rates rose. It was the high yield of European bonds that tempted the inexperienced American investor first into Europe and then, as his appetite grew, into South America. The prospect of large commissions plus the high-powered salesmanship of inexperienced and often intemperate American bankers did the rest. The money was provided to make an unworkable system work.

The policy of exclusive tariffs and of aggressive exports superimposed upon our creditor position siphoned gold into the United States. This gold, plus the gold brought here by capitalists fleeing from Europe, provided the basis for a stupendous credit inflation by the American banks. It was this credit inflation that financed the expansion of mass production, that financed the export of its surpluses, that financed the real-estate booms which accompanied the industrial expansion, that financed the stock-market speculation, that financed the swollen expenditures of cities and States, that financed their installment buying. This inflation was repeatedly blessed by the Treasury and by the White House. It was, in fact, the prosperity of 1928.

It was this same inflation in the United States which brought the foreign lending to an abrupt end about 1928, since more money was to be made in the stock market than out of foreign bonds. It was the suction of gold from Europe by our bull market, by our excess of exports over imports, and by the service of the huge public and private debts that once no more money could be borrowed forced a contraction of credit abroad and set the slowly declining commodity prices of the postwar decade spinning in a vicious spiral of deflation.

As prices sank, the structural weaknesses of the postwar economy were uncovered. For that economy rested upon the assumption that nations could sell without buying and repay loans by borrowing. The net result of the system was the creation of a mountain of gold debts payable by debtors who could not profitably exchange the goods they produced. The producers of goods had borrowed in order to expand exports into markets that did not really exist. They were able to continue only as long as credit could be manufactured to disguise the fact that they were not really selling their surpluses. When no more inflation was possible the producers found themselves underneath an unsupportable burden of debt.

The history of the depression is in essence the history of efforts to make a workable adjustment between the old debts and the new price level. The record of the Hoover administration in meeting this problem has been the logical result of its previous policies.

Believing that the postwar system of the Republican Party was structurally sound, the administration first met the depression by urging the country to make no adjustments. Business men were advised to maintain prices and wages. The administration set the example by using public money to peg agricultural prices, by increasing its own expenditures, by reducing its own revenues. From the autumn of 1929 to the spring of 1931 the administration threw the whole weight of its influence and example against a readjustment of costs. Yet in this time the price level was sinking rapidly, which meant that profits were disappearing and that the burden of fixed charges was growing heavier and heavier.

By the spring of 1931 the deflation of prices, acting upon the crazy structure of postwar international finance, brought on a series of financial crises in various countries of Europe. Then the administration realized that the collapse was endangering not merely employment and profits but contractual obligations as well. Beginning with the Hoover moratorium of June, 1931, the administration was forced to jettison one by one the main parts of the old structure.

The attempt to maintain wholesale prices by price agreements or by resorting to the Treasury had already failed. The expanded export business had already dwindled, though under the influence of the financial crisis it was virtually shut down by tariffs and other devices. In the moratorium Mr. Hoover threw overboard the war debts. Then he withdrew his objection to the open reduction of wage rates. Then it was admitted that taxes would have to be increased; then that governmental expenditures ought to be cut. By the winter of 1932 nothing was left of the old structure except the fixed charges and the contractual obligations.

Wholesale prices, retail prices, artificially expanded exports, swollen governmental expenditures, the Mellon tax reductions, the old wage rates, not to mention the big profits and the dividends and the high stock quotations—all these elements of the proud structure had fallen. All that remained of it was the debts. On this ultimate line—in defense of the validity of their gold contracts—the administration is, as this is written, making its final stand.

To that end, to the support of the great mass of private credit, it has mobilized the public credit. To that same end, to obtain an adjustment between gold prices and gold debts, it has amended the banking laws to permit the Federal reserve system to attempt a "reflation" of prices—I employ the current euphemism. For unless gold prices can be made to rise, no amount of public credit in sight can permanently sustain the debts incurred during the boom. To this same end the administration has finally, after acquiescing in a deficit of over $2,500,000,000 in 1932, committed itself in principle to a balanced Budget. For the policy of reflation—that is, of deliberate manufacture of bank credit—could command the confidence and cooperation of bankers, investors, and other creditors only if there were some assurance that the Government itself would not absorb all the new credit created.

The course pursued during the depression has been to adhere to the past as long as possible and to give reluctant and tardy consent under irresistible pressure to a readjustment by deflation. But as the readjustment has always been slower than the deflation of gold prices, the country has never been able to stabilize. The medicine was never strong enough by the time the doctor made up his mind to administer it. In the end, after suffering all the pains of deflation without enjoying any of the benefits, the deflationary policy has been reversed. For by the spring of 1932 it had become quite plain that the American democracy would not permit itself to be crucified upon a cross of gold.

So, as this is written, a great effort to raise gold prices is under way. I do not attempt to forecast the chances of success though a success is greatly to be desired. It is important to realize what is at stake. It is the final effort, barring some unforeseen break of good fortune, to make good in terms of gold the great mass of debts which, in addition to some useful buildings and machinery, are the world's chief heritage of the boom. If the Federal reserve policy fails, either because it is attempting the impossible, or because it is being attempted too late, or because it is not implemented with sufficient boldness, the alternatives are quite clearly a deep deflation through bankruptcy, foreclosure, unemployment, and wage reductions, or else a scaling down of all debts by a devaluation of the currency.

But even if the deflation is successful in the sense that the bulk of gold debts is thawed out, it is difficult to see how a resumption of profitable enterprise can be maintained while the major policies of the last 12 years remain in force. For those

policies have brought into being a productive capacity which is geared to aggressive expansion of exports. Those same policies have provoked and encouraged the other nations to erect insuperable obstacles to our exports. The disastrous collapse of the foreign financing, which alone made the system workable for a while, makes it almost certain that for a long time to come our overbuilt plant for mass production must not count upon selling its surplus to foreigners who are furnished the means of payment by American investors.

Therefore, unless the country reverses the policies of the last 12 years, unless it embarks upon policies which will enable goods to be exchanged in international trade, unless it uses its influence to help stabilize Europe and to provide a basis of economic security, we face, it seems to me, a long and protracted period on which we must write off much capital investment and find new occupations for those who as a result will be permanently unemployed. With the best of good fortune we shall in any event have to do these things in some considerable degree. For the régime of economic nationalism, which in the last 12 years we have done so much to provoke and inspire, is not likely to be abandoned quickly.

Protection begets vested interests which are not easy to cancel, and we must probably make up our minds that for some time to come the rest of the world will be as protectionist as we have been and are. Therefore, the prospect of exporting our surpluses is not a good one. But even if the world were to move toward a condition where there was again relative freedom of exchange, it would still be a fact that under the influence of the inflation we have organized ourselves to take a larger share of international trade than the world will permit us to have. The conclusion seems inescapable that during the postwar era we misdirected much of our productive energy and misinvested much of our capital.

A period of social readjustment is, therefore, in prospect. For in the last decade, under the influence of the five policies I have been describing, the development of the American economy has been gravely perverted. The present crisis is not merely a low point in an ordinary business cycle. It is a structural dislocation brought on by contradictory and destructive governmental policies.

What I have been saying constitutes a severe indictment of the statesmanship of the Republican Party. To refute it one would have to show that exclusive tariffs, aggressive exports, lavish lending, and political instability are a sound composite of policies which it was wise and prudent to pursue. No one, I think, can show that. Therefore, regardless of what one may think of any one of these policies, regardless, that is to say, of whether one believes in political isolation, or in high protection, or in expanding exports, or in foreign investment, these policies as an interlocking whole can and must be unreservedly condemned. One or two of them might stand alone, but taken together they are a program of disaster.

If, then, the policies are to be condemned, how far may the Republican Party be held accountable? I think it should be held accountable. For though it is true that these policies had the support of a large majority of the American people, there is no responsible government unless the party in power is held responsible for the policies it initiates and maintains. That millions participated in the folly does not excuse those who led them into it. That bankers and captains of industry avidly seized the opportunities for folly does not diminish the ultimate responsibility of those who by their political unwisdom created those opportunities. All these considerations count only in that they should make us charitable in our personal comments. But I am not charging that the Republican Party has been wicked. I am not proposing that its responsible leaders be punished. I am arguing merely that the Republican policies have been a composite of destructive contradictions and that for these policies the Republican postwar régime can and should be called to account.

Nor does it relieve the Republican leaders of their responsibility to point out that the whole world crisis is not of their making, and that every other administration in every other country has committed grievous mistakes. The United States is in diplomatic weight the greatest power in the world. In financial power it has been the chief creditor nation of the postwar era. In economic importance, relative to the economy of the world, it is about half of the capitalist system. Therefore, the responsibility of those who conduct America's affairs is immense, and those who have exercised power may fairly be judged by the consequences of their deeds.

PROHIBITION—CONSTITUTIONAL AMENDMENT

Mr. WALSH of Massachusetts. Mr. President, I ask unanimous consent that we proceed without further debate to have a vote upon the motion of the Senator from Nebraska.

Mr. BROOKHART. Mr. President, I object for a moment.

The VICE PRESIDENT. The Senator from Iowa objects.

Mr. BROOKHART. I now ask to have inserted in the RECORD the statement of the National Prohibition Board of Strategy for release Monday, July 4, 1932, at Chicago, Ill.

The VICE PRESIDENT. Is there objection?

Mr. TYDINGS. Mr. President, inasmuch as the lady in the last campaign was one of the Hoovercrats, and now poses as an autocrat, I object.

Mr. ASHURST. This is a different thing.

Mr. BROOKHART. I will start to read this statement, and if the Senator from Maryland does not remain in the Chamber I will have it inserted in the RECORD in his absence, as I did Mrs. Nicholson's speech.

Mr. BINGHAM. Mr. President, will the Senator yield to me before he begins to read? I desire to make a point of order against the motion of the Senator from Nebraska, that he can not move to send a resolution to a committee when the resolution is not before the Senate.

The VICE PRESIDENT. Will the Senator give the Chair a minute to look at Rule XXII?

Mr. GLASS. Mr. President, I fervently hope that the eagerness of the Senator from Connecticut to vote on this question may be gratified.

Mr. BINGHAM. Yes, Mr. President; and I fervently hope that the efforts of the only Senator on this side of the aisle who has indicated his intention to be the ally of the Democrats in this campaign, who has moved to send this joint resolution to the committee so that the Democrats need not vote on it, may be withheld by a point of order.

The VICE PRESIDENT. Let the Chair rule.

The Chair rules, under Rule XXII, that the motion to commit can not be made until after a vote is had on taking up the joint resolution, and that is not yet before the Senate.

Mr. NORRIS. Mr. President, does the Chair hold that when there is a resolution on the desk it is not in order to move that the resolution be referred to a committee?

The VICE PRESIDENT. The motion now pending is to proceed to its consideration, and the Senate would have to dispose of the first motion before the other one could be made.

Mr. NORRIS. Mr. President, it will be about as long as it is short, I will say to the Senate. If the motion prevails, immediately, under the ruling of the Chair, I will renew my motion to refer the resolution to the committee. I do not know that it makes any particular difference. I realize the Senator from Iowa has the floor, and I have not any right, probably, to say what I would like to say now, but this debate has been going on, for instance, the point of order and the remarks made by the Senator from Connecticut, in violation of the rules of the Senate, and at a time when the Senator from Connecticut did not have the floor. I am not going to violate the rules of the Senate that way. I will wait, being a conservative, until the matter properly comes before the Senate, and then I will have something to say in reply to the Senator from Connecticut, who talks out of order, and is so wild in his ideas that he will not confine himself either to the rules of the Senate or to parliamentary law.

Mr. WALSH of Massachusetts. Mr. President, in order that we may proceed to transact the business of the Senate, I ask unanimous consent that the speech which the Senator from Iowa requested to have printed in the RECORD be printed in the RECORD.

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

Mr. BROOKHART. Mr. President, there were two of them, one with reference to each of the national conventions.

The VICE PRESIDENT. Without objection, they will both be printed.

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

STATEMENT BY THE NATIONAL PROHIBITION BOARD OF STRATEGY
JULY 4, 1932

The results of the recent national political conventions were not such as to eliminate the prohibition issue from the 1932 campaign. Therefore the Board of Strategy, created by the National Conference of Organizations Supporting the Eighteenth Amendment, including in its membership officers and leaders of the national temperance organizations and general church denominational temperance boards, in the interest of the retention of the eighteenth amendment and the defense of the Constitution against the lawless liquor attacks, offers to the people its evaluation of the platforms adopted by the conventions.

We are opposed to repeal. We are opposed to the submission of any repeal or modification proposal which would destroy or weaken national prohibition. The prohibition forces of the Nation will, to the very limit of their ability, preserve, protect, and defend that salutary governmental policy.

Proof of the benefits of the eighteenth amendment is evidenced by unimpeachable testimony from governmental records, social-welfare agencies, and other authoritative sources. Those benefits are in proportion to the extent of observance and the degree of enforcement.

While we recognize the fact that national prohibition has not had the degree of observance and enforcement to which it is entitled, we are, nevertheless, convinced that this national policy of government has accomplished more and has been far more successfully enforced than any other policy of liquor control which has ever been tried. Experience has demonstrated that any other method for the mitigation of the evils of the liquor traffic would unquestionably foster greater evils and create more formidable difficulties of administration and enforcement than those with which the Government has been compelled to deal under the eighteenth amendment.

The violation of the prohibition law and the evils attendant thereon by no process of reason or logic can be properly chargeable to the law. Such evils are the natural product of the nefarious traffic which in all its long history has scoffed at law and defied government. No Federal or State regulatory law has ever received from the liquor traffic willing respect or observance. That traffic is inherently lawless and has always challenged popular government. The very success of the law to-day is primarily responsible for the highly organized and heavily financed propaganda against it. Those who flout the Constitution and disobey the prohibition law will not obey the restrictions which would necessarily be a part of any regulatory law which might supersede the eighteenth amendment.

THE REPUBLICAN PLANK

The platform plank on the eighteenth amendment adopted by the Republican Party convention declares for obedience to and enforcement of the law and the preservation of gains admittedly accomplished under the eighteenth amendment. It declares against nullification, nonobservance, referendums without constitutional sanction, the submission of a mere repeal amendment, and any "backward step." The plank declares that prohibition has been and is a nonpartisan question. It does not pledge nominees or members of the party to follow any specific course, declares against the "evils inherent in the liquor traffic," and pledges the party and its nominees to enforcement.

With that portion of the plank we heartily agree.

The plank further declares that Congress should submit a substitute amendment which would give the people an opportunity to decide whether they will retain the eighteenth amendment unchanged or adopt a substitute permitting the several States to legalize the sale of intoxicants as their citizens may determine subject to the power of the Federal Government to protect those States where prohibition exists and to safeguard citizens everywhere from the return of the saloon and its attendant evils.

To this portion of the plank we are opposed as we are to the submission of any repeal or weakening modification of the amendment. This plank, however, does not declare any party preference as between the eighteenth amendment and the substitute proposed, but leaves that to be determined by the people in the event Congress submits such a proposal.

The Republican platform neither pledges the party power nor binds the Members of the Congress to vote for any such submission. Lest its general utterances calling for party loyalty be taken to extend to the imposition of a duty to vote to submit, the declaration on the eighteenth amendment gives specific release by the direct statement that "no public official or member of the party should be pledged or forced to choose between his party affiliations and his honest convictions upon this question."

THE DEMOCRATIC PLANK

The platform plank adopted by the Democratic Party convention declares specifically for the repeal of the eighteenth amendment and demands that Congress propose such repeal to ratification conventions in the States. It urges the party, in case the eighteenth amendment is repealed, to cooperate in the enactment of statement measures to prevent the return of the saloon, and demands that the Federal Government protect the States against importation of liquors in violation of State laws. It also declares for the immediate modification of the Volstead Act to legalize beer and other alcoholic beverages permissible under the Constitution for beverage purposes.

This plank would eliminate the eighteenth amendment in its entirety from the Constitution and would open the floodgates to wholesale and uncontrollable violations of the law.

AGAINST RATIFICATION BY CONVENTIONS

Both platforms provide for ratification by State conventions. We oppose the convention method for ratification of constitutional amendments as untried, entirely unprotected by election laws and corrupt-practices acts and directly inviting all forms of jobbery and machine control.

In this emergency we urge the friends of the eighteenth amendment to unity of effort and against ill-advised and ineffective political movements tending to waste their energies and resources, dividing and diverting them into channels that would serve only the enemies of our cause.

We urge all friends of the eighteenth amendment to devote their best efforts to the election of dry candidates to both Houses of Congress and to the State legislatures.

The board of strategy at an early date will recommend and publish the procedure and active steps to be taken in the conduct of the campaign.

STATEMENT OF THE NATIONAL PROHIBITION BOARD OF STRATEGY
JULY 15, 1932

We favor the retention of the eighteenth amendment unchanged. We are opposed to any modification or amendment which would remove the brand of the criminal from the traffic in beverage intoxicants and which would legalize that traffic in any form.

We fully agree that the question of prohibition should be settled by the votes of the people, who under the Constitution have the right to vote in the election of Senators, Congressmen, and legislators, which officers after the election are charged with the power to vote for or against the submission or ratification of amendments to the Constitution.

The eighteenth amendment was embodied in the organic law by the votes of Senators, Congressmen, and State legislators, all elected by the people in the constitutional manner.

The question of the retention, modification, or repeal of the eighteenth amendment should likewise be determined by vote of the people in senatorial, congressional, and legislative elections.

We urge our people to meet unwaveringly the serious obligation which has been thrust upon them in the coming election for President, Vice President, Senators, Congressmen, governors, and State legislators by voting for those candidates who believe that prohibition ought to be the law and by opposing openly and vigorously the proposals which have been made for modification or repeal of the eighteenth amendment and the weakening of the Volstead Act.

That our people may have clear, definite information as to the attitude on prohibition of all candidates for President, Vice President, Senators, Congressmen, and State legislators, we strongly advise that the record and present attitude of all such candidates on the question of submission, modification, or repeal of the eighteenth amendment or the weakening of the Volstead Act or of the State prohibition enforcement laws, be secured and published, in order that the position of such candidates may be clearly indicated in present and future elections.

It may be taken for granted that as a result of the 1932 general election either the Republican or Democratic candidates for President and Vice President will be elected. We therefore present herewith the record, public declarations, and attitudes of the candidates of those parties for President and Vice President.

Herbert Hoover: While Secretary of Commerce he said: "There can be no doubt of the economic benefits of prohibition. Viewing the temperance question only from this angle, prohibition has proved its case."

In his speech of acceptance at Palo Alto, Calif., on August 11, 1928, he said:

"I do not favor the repeal of the eighteenth amendment. I stand for the efficient enforcement of the laws enacted thereunder. Whoever is chosen President has under his oath the solemn duty to pursue this course.

"Our country has deliberately undertaken a great social and economic experiment, noble in motive and far-reaching in purpose. It must be worked out constructively. * * *

'Modification of the enforcement laws which permit that which the Constitution forbids is nullification. This the American people will not countenance. Change in the Constitution can and must be brought about only by the straightforward methods provided in the Constitution itself.

"There are those who do not believe in the purposes of several provisions of the Constitution. No one denied their right to seek to amend it. They are not subject to criticism for asserting that right."

In his inaugural address, March 4, 1929, discussing disrespect and disobedience of laws, he said:

'It is only in part due to the additional burdens imposed upon our judicial system by the eighteenth amendment. The problem is much wider than that. Many influences had increasingly complicated and weakened our law-enforcement organization long before the adoption of the eighteenth amendment. * * * It must not come to be in our Republic that it can be defeated by the indifference of the citizen, by exploitation of the delays and entanglements of the law, or by combinations of criminals.

"Of the undoubted abuses which have grown up under the eighteenth amendment, part are due to the causes I have just mentioned, but part are due to the failure of some States to accept their share of responsibility for concurrent enforcement and to the failure of many State and local officials to accept the obligation under their oath of office zealously to enforce the laws."

In sending to Congress the Wickersham report, January 20, 1931, he said:

"The commission by a large majority does not favor the repeal of the eighteenth amendment as a method of cure for the inherent abuses of the liquor traffic. I am in accord with this view. I am in unity with the spirit of the report in seeking constructive steps to advance the national ideal of eradication of the social and economic and political evils of this traffic, to preserve the gains which have been made, and to eliminate the abuses which exist, at the same time facing with an open mind the difficulties which have arisen under this experiment. I do, however, see serious objections to, and therefore must not be understood as recommending, the commission's proposed revision of the eighteenth amendment which is suggested by them for possible consideration at some future time if the continued effort at enforcement should not prove successful. My own duty and that of all executive officials is clear—to enforce the law with all the means at our disposal without equivocation or reservation."

In his acceptance speech he will doubtless deal further with this subject.

During the presidency of Mr. Hoover, Federal enforcement of the prohibition laws has steadily advanced and has attained a higher degree of efficiency than in any other period since the adoption of the eighteenth amendment.

Charles Curtis: An active participant in the fight for local and later national prohibition since 1885. He has announced no

change from the position he took January 25, 1928, when in a letter addressed to Senator BORAH he wrote:

"I, personally, favor a plank referring to the eighteenth amendment and the laws enacted to carry it into effect, and I favor a plank pledging the nominee to a fair, vigorous, and faithful enforcement of them. In my opinion it is the greatest moral issue of all ages, and public sentiment demands that both of the political parties declare themselves unequivocally upon it;" adding:

"I am opposed to a policy which will allow any State to determine for itself the alcoholic content of beverages to be manufactured, sold, and transported throughout the country; but I believe the States should join with the officers of the United States in enforcing the laws of Congress, as was contemplated by the constitutional amendment."

In his speech of acceptance, August 19, 1928, he referred to his past record, saying: "My own record shows clearly that I believe in and practice enforcement of the law;" adding: "Not only am I heartily in favor of faithfully enforcing all our laws but, further, I am opposed to the repeal of the eighteenth amendment or of the Volstead Act." This position he repeatedly emphasized during the 1928 campaign.

FRANKLIN D. ROOSEVELT

On October 25, 1928, he declared, concerning the reenactment of the State enforcement act repealed several years earlier: "There is no practical advantage in enacting another Mullan-Gage law as a part of the statutes of New York. That is the way I feel about it. That is where I stand."

On September 9, 1930, as a candidate for reelection as Governor of New York, he declared that he indorsed the Democratic State platform of 1928, which platform favored repeal of the eighteenth amendment.

On March 31, 1931, he signed a bill requesting Congress to call a national constitutional convention to repeal the eighteenth amendment.

In his acceptance speech at the Chicago convention, July 2, 1932, he said:

"This convention wants repeal. Your candidate wants repeal, and I am confident that the United States of America wants repeal. * * * I say to you now that from this date on the eighteenth amendment is doomed."

He further said:

"That admirable document, the platform which you have adopted, is clear. I accept it 100 per cent," which includes his indorsement of all the provisions of the Democratic convention plank on prohibition.

JOHN N. GARNER

As a Member of the United States Congress he voted for the Webb-Kenyon bill; against the Jones-Works District of Columbia bill; for the Alaska prohibition bill; for the Jones-Randall bill; against the Sheppard District of Columbia prohibition bill; against the prohibition food control bill; for the proposed Igoe amendment to the Volstead Act; for the Volstead Act; but is recorded as not voting for the act over the President's veto.

He summed up his present position and past record on June 21, 1932, by giving to the press this brief statement:

"When the prohibition amendment was proposed I, as a Member of Congress, voted against it.

"I have never believed it sound or workable, and it should be repealed."

We present the foregoing statement for the careful consideration of the voters of the United States.

The VICE PRESIDENT. The question now is on the motion of the Senator from Virginia that the Senate proceed to the consideration of Senate Joint Resolution 202.

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

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

Mr. LA FOLLETTE (when Mr. BLAINE's name was called). Again making the announcement as to the pair of my colleague with the Senator from Kansas [Mr. MCGILL], I wish to announce that if present he would vote "yea."

Mr. MCKELLAR (when Mr. BRATTON's name was called). I am authorized by the Senator from New Mexico [Mr. BRATTON], who is unavoidably absent, to say that if present he would vote "yea."

Mr. BULKLEY (when his name was called). I have a general pair with the junior Senator from Wyoming [Mr. CAREY], but I understand that if present he would vote as I intend to vote, and I am therefore free to vote. I vote "yea."

Mr. WALSH of Massachusetts (when Mr. COOLIDGE's name was called). My colleague Mr. COOLIDGE is unavoidably absent. If present, he would vote "yea."

Mr. DAVIS (when his name was called). I have a general pair with the junior Senator from Kentucky [Mr. LOGAN]. I understand that if he were present he would vote as I am about to vote. I vote "yea."

Mr. FESS (when his name was called). I have a general pair with the senior Senator from New York [Mr. COPELAND]. I am not able to obtain a transfer, and therefore I am not permitted to vote. If I were at liberty to vote, I would vote "nay."

Mr. HOWELL (when his name was called). On this question I have a pair with the junior Senator from Massachusetts [Mr. COOLIDGE]. If I were at liberty to vote, I would vote "nay."

Mr. JONES (when his name was called). I have a general pair with the senior Senator from Virginia [Mr. SWANSON]. If he were present and voting, I understand he would vote as I shall vote, and therefore I vote "yea."

Mr. KING (when his name was called). I have a general pair with the junior Senator from New Mexico [Mr. CUTTING]. Not knowing how he would vote, I withhold my vote.

Mr. MCNARY (when his name was called). Announcing my pair again with the Senator from Mississippi [Mr. HARRISON], I withhold my vote.

Mr. MCNARY (when Mr. ODDIE's name was called). The junior Senator from Nevada [Mr. ODDIE] is necessarily absent. If he were present, he would vote "yea." He has a pair with the junior Senator from Arkansas [Mrs. CARAWAY].

Mr. STEIWER (when his name was called). Again announcing my pair with the senior Senator from New Mexico [Mr. BRATTON], not knowing how he would vote, I withhold my vote. If I were permitted to vote, I would vote "yea."

Mr. THOMAS of Idaho (when his name was called). I have a general pair with the junior Senator from Montana [Mr. WHEELER]. Not knowing how he would vote, I withhold my vote. If permitted to vote, I would vote "nay."

Mr. WAGNER (when his name was called). I desire to announce the unavoidable absence of my colleague [Mr. COPELAND]. If he were present, he would vote "yea." I vote "yea."

Mr. WATSON (when his name was called). I have a general pair with the senior Senator from South Carolina [Mr. SMITH]. Not knowing how he would vote, I transfer that pair to the junior Senator from Wyoming [Mr. CAREY], and vote "yea."

The roll call was concluded.

Mr. WAGNER. I desire to announce that the Senator from Louisiana [Mr. LONG] is necessarily absent. If present, he would vote "yea."

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

The Senator from Nevada [Mr. ODDIE] with the Senator from Arkansas [Mrs. CARAWAY];

The Senator from California [Mr. SHORTRIDGE] with the Senator from Montana [Mr. WALSH];

The Senator from Vermont [Mr. AUSTIN] with the Senator from South Carolina [Mr. BYRNES];

The Senator from Idaho [Mr. THOMAS] with the Senator from Montana [Mr. WHEELER];

The Senator from Illinois [Mr. GLENN] with the Senator from Washington [Mr. DILL];

The Senator from Maine [Mr. WHITE] with the Senator from Tennessee [Mr. HULL], and

The Senator from Colorado [Mr. WATERMAN] with the Senator from Wyoming [Mr. KENDRICK].

Mr. DALE. Respecting my pair with the junior Senator from Alabama [Mr. BANKHEAD], I withhold my vote.

Mr. CONNALLY. On this vote I have a pair with the senior Senator from Missouri [Mr. HAWES]. If he were present, he would vote "yea," and if I were permitted to vote I would vote "nay."

Mr. BLACK. I desire to announce that my colleague [Mr. BANKHEAD] is necessarily absent. If he were present, he would vote "yea."

Mr. GORE (after having voted in the negative). I am reminded that I have a pair with the senior Senator from Louisiana [Mr. BROUSSARD] upon this question. I therefore withdraw my vote. If the Senator from Louisiana were present, he would vote "yea," and, as indicated, I would vote "nay."

Mr. TYDINGS. I wish to announce that if the junior Senator from Kentucky [Mr. LOGAN] were present he would vote "yea." Also that the Senator from New Mexico [Mr. BRATTON] is necessarily absent. If present, he would vote "yea."

The result was announced—yeas 37, nays 21, as follows:

YEAS—37

Ashurst	Fletcher	Metcalf	Trammell
Bailey	Glass	Moses	Tydings
Barbour	Hayden	Neely	Vandenberg
Barkley	Hebert	Patterson	Wagner
Bingham	Johnson	Pittman	Walcott
Black	Jones	Reed	Walsh, Mass.
Bulkley	Kean	Robinson, Ark.	Watson
Bulow	LaFollette	Schall	
Cohen	Lewis	Shipstead	
Davis	McKellar	Stephens	

NAYS—21

Borah	Frazier	Morrison	Smoot
Brookhart	Goldsborough	Norbeck	Thomas, Okla.
Capper	Hale	Norris	Townsend
Costigan	Hastings	Nye	
Couzens	Hatfield	Robinson, Ind.	
Dickinson	Keyes	Sheppard	

NOT VOTING—38

Austin	Copeland	Howell	Smith
Bankhead	Cutting	Hull	Steiwer
Blaine	Dale	Kendrick	Swanson
Bratton	Dill	King	Thomas, Idaho
Broussard	Fess	Logan	Walsh, Mont.
Byrnes	George	Long	Waterman
Caraway	Glenn	McGill	Wheeler
Carey	Gore	McNary	White
Connally	Harrison	Oddie	
Coolidge	Hawes	Shortridge	

So Mr. GLASS's motion was agreed to; and the Senate proceeded to consider the joint resolution (S. J. Res. 202) proposing an amendment to the Constitution of the United States relative to the eighteenth amendment, which was read, as follows:

Resolved, etc., That the following is proposed as an amendment to the Constitution of the United States, which shall be valid to all intents and purposes as part of the Constitution when ratified by conventions in three-fourths of the several States:

"ARTICLE —

"SECTION 1. Article XVIII of the amendments to this Constitution is hereby repealed. The sale of intoxicating liquors within the United States or any territory subject to the jurisdiction thereof for consumption at the place of sale (commonly known as a saloon), and the transportation of intoxicating liquors into any State, Territory, District, or possession of the United States in which the manufacture, sale, and transportation of intoxicating liquors are prohibited by law, are hereby prohibited. The Congress and the several States, Territories, and possessions shall have concurrent power to enforce this article by appropriate legislation.

"SEC. 2. This article shall be inoperative unless it shall have been ratified as an amendment to the Constitution by conventions in the several States, as provided in the Constitution, within seven years from the date of the submission hereof to the States by the Congress."

Mr. BINGHAM. Mr. President, I desire to offer an amendment in the nature of a substitute for the amendment proposed by the Senator from Virginia, and which, after it is read at the desk, I would like the privilege of explaining.

The VICE PRESIDENT. The Secretary will read:

The legislative clerk read as follows:

Resolved, etc., That the following is proposed as an amendment to the Constitution of the United States, which shall be valid to all intents and purposes as a part of the Constitution when ratified by conventions in three-fourths of the several States, which conventions shall be composed in each State of delegates elected by a majority vote of the electors of the State:

"ARTICLE —

"Article XVIII of the amendments to this Constitution is hereby repealed. The power to regulate or to prohibit the manufacture, sale, or transportation of intoxicating liquors is reserved to the several States, except that no State may prohibit the transportation of intoxicating liquors in bond across its territory if such liquors are shipped in interstate commerce between points wholly outside the territorial limits of such State. The Congress shall have the power to regulate the sale or transportation of intoxicating liquors in interstate or foreign commerce in a manner not to abridge or deny the powers herein reserved to the several States."

Mr. BINGHAM. Mr. President, I desire to state the difference between my substitute and the resolution offered by the Senator from Virginia. I am extremely glad it has been brought before the Senate at this time, notwithstanding the remarks of the Senator from Mississippi yesterday, wherein he repeatedly stated that the Democratic platform did not mean that anything was to be done before the 4th of next March. Fortunately, he is absent at this time, so he has not been obliged to be put on record in the vote. He repeatedly stated yesterday that when the declaration in the Democratic platform was made nobody thought it meant "immediate," as meaning "now," that everybody realized it was put there merely to be voted on in November, and that nothing would be done unless the Democrats won the election, and then, after the 4th of March, if an extra session were called, we might take it up. Otherwise, it would not be taken up until a year from next December.

Fortunately—and I congratulate the Democrats present—they did not agree with the Senator from Mississippi, and with their votes this measure is now before the Senate, and at last we have before us the opportunity of securing the repeal of the eighteenth amendment, which has been proved to be the most colossal failure of any experiment in history.

Mr. President, the resolution offered by the Senator from Virginia in the first place does not carry out either the platform of the so-called "frenzied political assemblage" held in Chicago under the auspices of the Democratic National Committee or that which he denominated as "something far worse" which was held in Chicago a couple of weeks previously. Both of those conventions adopted a platform calling for conventions where the right of the people to be represented should be protected, and providing that the conventions should be representative. In the resolution offered by the Senator from Virginia there is no provision whereby the conventions may not be gerrymandered. In the substitute which I have offered it is specifically stated that the conventions must be elected by a majority of the people in each State. So much for the way in which it is to be adopted.

In the second place, the amendment to the Constitution offered by the Senator from Virginia in one bold sentence repeals the eighteenth amendment. "Hooray," says everybody. "We want to get it repealed. That will bring back prosperity. That will carry out what the Democratic platform declares should be done immediately." But in the very next sentence his resolution says that the Federal Government will prevent intoxicating liquors from being sold where they are to be consumed in a place commonly known as a saloon. It may be claimed that that does not prevent liquor from being sold in hotels. We have had appeals from the hotel association of the United States that the eighteenth amendment might be repealed in order that their business might not be ruined by speak-easies, in order that they might be permitted to sell intoxicating beverages in whatever States decide they might be sold.

In the next place it might prevent the sale in restaurants, for restaurants are not denominated saloons. Every one who really believes in the repeal of the eighteenth amendment and who does not believe that when both conventions went on record as favoring the repeal or change of the eighteenth amendment, they were merely acting as "frenzied political assemblages"—everyone who agrees with that would consider that a restaurant is not a saloon; and yet in the technical description of this police regulation which the Senator from Virginia expects to write into the Constitution of the United States, we are told that intoxicating beverages may not be sold where they are to be consumed; that is to say, in a place commonly known as a saloon. I understand that the Senator from Virginia holds that intoxicating liquors might be sold in restaurants.

Very well, what about speak-easies? Are speak-easies commonly called saloons? I have never heard them called saloons, although they ought to be called saloons, I submit. But the people who believe in the eighteenth amendment, the people who believe in prohibition, the people who think because they do not see any saloons on the streets that there are no saloons and that any attempt to change the eighteenth amendment means the return of the saloon do not consider speak-easies as saloons. They can not consider speak-easies as saloons, otherwise they would not be constantly harping on the fact that if we modify the Volstead Act to permit the sale of beer it would mean the

"return of the saloon." The Democratic convention called for immediate modification, knowing that can not be done. Why not? Because it would mean the return of the saloon. "The return of the saloon!" Consequently it is fair to say there is no saloon to-day in the eyes of the worthy people who vote dry. The Senator from Virginia has told us repeatedly that he is really opposed to repeal, although he has offered the amendment.

Mr. President, under a technical definition of the amendment, it either means what it says or it does not mean what it says. If it means that the Federal Government is to prevent the sale of intoxicating beverages where they are consumed, then it means no relief at all, because they could not be sold in hotels, they could not be sold in restaurants; and if distributed by a peddler, by a distributor who sold them in the home and received money from the home owner, they could not be sold in the home where they were to be consumed. I know the Senator from Virginia considers such an interpretation ridiculous because the home is never referred to as a saloon, although under the eighteenth amendment and the Volstead Act as it exists to-day thousands of homes in the United States have been turned into speak-easies. But they are not saloons. Oh, no! We have done away with the saloon. The saloon has been banished and must not be returned. It is to be the business of the Federal Government to see to it that liquor is never sold anywhere where it is consumed.

But what about speak-easies? As I have said, under a strict interpretation of the amendment proposed by the Senator from Virginia liquor could not be sold in hotels, in restaurants, or in speak-easies; but surely that is not what it means. What he is trying to do is to say to the American people, "Here is an amendment which will prevent the return of the saloon." It either means what it says or it does not. If it means what it says, then liquor can not be sold in hotels or restaurants. If it does not mean what it says, then liquors can be sold in speak-easies.

The agitation against the eighteenth amendment, the agitation against the Volstead Act, has been based on several things. In the first place, it has been based on the fact that many States and many communities have realized that here is a business going on, which is to-day the most prosperous business in the United States, namely, the illicit selling of liquor and beer to people whose thirst still exists and who do not believe there is anything immoral in their temperate consumption of alcoholic beverages.

Mr. WAGNER. Mr. President——

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

Mr. BINGHAM. I yield.

Mr. WAGNER. I am asking the question at this time because the Senator is discussing the resolution offered by the Senator from Virginia, in which an effort is made to legislate in a way which I think is objectionable.

Mr. BINGHAM. That is just what I said.

Mr. WAGNER. The Senator himself has the following provision in his proposed amendment:

> The power to regulate or to prohibit the manufacture, sale, or transportation of intoxicating liquors is reserved to the several States.

If the eighteenth amendment is repealed, does not that power become repossessed by the States?

Mr. BINGHAM. That is true.

Mr. WAGNER. Then it is an entirely gratuitous statement that ought not to be in the resolution.

Mr. BINGHAM. Possibly that is so. It is perfectly true that it does so rest, but in order to allay the fears of some people that it would not so rest this is written into the amendment to make it perfectly plain that it does.

Mr. WAGNER. I do not see whose apprehensions would be assuaged, because the Supreme Court of the United States has decided that so definitely that every one, every student of the Constitution or of government, knows it to be a fact. That it should be reiterated in the Constitution it seems to me is unnecessary.

Mr. BINGHAM. The Senator is a distinguished lawyer and was a member of a very distinguished bench in the greatest State in the Union, and of course it is perfectly plain to him. If he will read the last sentence in my amendment he will also say that the Federal Government to-day has the power to regulate interstate commerce and to regulate foreign commerce in these matters. But all of the people of the United States are not lawyers; all of them are not distinguished members of the supreme court of a great State; and it is in order to express to them clearly what this means that the language has been put in the amendment. I quite agree with the Senator that had the language been left out the meaning would be the same to a lawyer or to a distinguished judge in a great court; but we are going to submit something—at least I hope we are—to the people of the United States, and there are millions of people who are not lawyers and tens of millions who are not great judges, and they will wonder what becomes of the power. Therefore that language has been put in. If the Senator wants to strike it out, I am perfectly willing, only I believe that it will be easier to get the people of the United States to adopt a genuine repeal amendment if these clauses, which I agree with the Senator are unnecessary from the point of view of a strict constructionist, are left in it. That is the reason for leaving them in—to show to the people exactly what it means.

Mr. WAGNER. May I ask the Senator further what is meant by the second provision of his proposed amendment? Is it intended to limit the power now in the Congress in the matter of regulating interstate commerce?

Mr. BINGHAM. It is intended to limit the power of the Federal Government to interfere in a matter which should belong to the States themselves. We have had long enough experience with the eighteenth amendment to know that when the Federal Government attempts to say to a State that it must or must not do something connected with the habits of the people it will fail. The Senator knows that as well as I do. There is a provision in the amendment proposed by the Senator from Virginia that on the one hand sweeps out and wipes out the eighteenth amendment; on the other hand, it immediately gives an order to the Federal Government to see to it that there shall be no more saloons in any State whatsoever.

If the Federal Government has not that ability to-day, it will never have it under any amendment, and how has that worked? It has worked in such degree that the investigators for the Wickersham Commission and everyone who has gone out really to investigate the matter tells us there are thousands of speak-easies or concealed saloons. They are not called saloons. Oh, no. We have done away with saloons, and we must not do anything to bring saloons back. But actually there exist thousands of speak-easies in great cities. We have learned that through bitter experience, through the intoxication of young people arrested and brought to trial in the police courts. There are five times as many young people arrested for intoxication now as there ever were in the days before prohibition.

We have learned when the Federal Government attempts to say that liquor must not be sold in a State that once sold it, when the Federal Government attempts to say there shall be no beer or wine or liquor consumed on the premises in cities where a majority of the inhabitants are willing to have it consumed on the premises, that the experiment is a failure and that it can not be carried out. Yet in the very face of that record the Senator from Virginia, in an effort to clear the Democratic Party of any charge that it did not mean what it said when it claimed it was in favor of the repeal of the eighteenth amendment, here in the very last hours of the session, with a resolution pending to adjourn this very day, proceeds to call up an amendment to the Federal Constitution which in one breath repeals the eighteenth amendment and in the next breath restores it and makes it the business of the Federal Government to see to it that there shall not be restored in any of these great cities a place where liquor may be sold on the premises.

The proposal is perfectly ridiculous. All one has to do is to look at the facts and figures to see that it is ridiculous. If the Federal Government to-day under the eighteenth amendment can not keep thousands of children from becoming drunk and being arrested in the city of Cleveland, that would seem to demonstrate how ridiculous it is. There were 16,000 of them under the age of 25 arrested there last year for drunkenness. With all the powers of the Federal Government and all the powers of Ohio itself and of the city of Cleveland, they could not prevent liquor from being sold, so that 16,000 young people were arrested for drunkenness. How will the Federal Government be able to do it under this amendment?

The only answer is that the only way to carry out a sumptuary law is to leave it to the States and the cities themselves. In the city of London during the last 14 years, while we have been trying an experiment with prohibition, they have been going on carefully regulating the sale of liquors in various places. They have closed them at a certain hour. They do not permit them to be open on Sunday. They do not permit them to be open at unseemly hours in the night. As a result, in London without prohibition the number of persons arrested for intoxication during the past 15 years has fallen off by 50 per cent, and that in a country which did not try the experiment of prohibition; whereas in this country, under the noble experiment of prohibition, right here in Washington under the nose of the Federal Government, with all the power of the Federal Government and all the persons in Congress who always vote dry no matter how they may be otherwise, we have had thousands of speak-easies raided, and yet the number of arrests for intoxication has doubled in the past 15 years under prohibition; whereas in the great city of London they have been reduced by 50 per cent.

Mr. President, what we want to do is to go back to the time when arrests for intoxication were on the decrease. Under local option, under State regulation, any State that wanted to be dry, any community that really wanted to be dry, could be dry; but under this so-called noble experiment there has been too much temptation otherwise. It has been found impossible for the Federal Government to stamp out places where liquor is sold. To be sure, we are told the saloon has gone. The Senator from Virginia proposes an amendment to the Constitution providing that the saloon should not return; but the saloon has not gone. Do Senators not know that? Have not all the prohibitionists told us that the sale of beer must not be authorized, because, forsooth, it would mean the return of the saloon; and have they not told us how dreadful it would be to have a return of the saloon?

The Senator from Virginia proposes an amendment to the Constitution that prevents the return of the saloon, but how about the speak-easy, Mr. President? No one will deny that the speak-easy exists in all the big cities in great numbers. No one will deny that the number of young persons arrested for intoxication has increased rather than diminished since we have tried the experiment of prohibition. How are we going to do away with that condition? How are we going to protect coming generations? It is not by adopting any amendment such as that offered by the Senator from Virginia; it is by adopting an amendment such as that offered by the Senator from New York [Mr. WAGNER], who has offered an amendment which has no conditions attached to it. It is exactly like the one which I have offered as a substitute except that it is shorter. Mine is a little more explanatory, in that it provides that the Federal Government shall still have the power to regulate the sale of intoxicating beverages and their transportation in interstate commerce and in foreign commerce. It is a little clearer statement of the purpose to protect the wet States against the dry States and the dry States against the wet States.

The amendment of the Senator from Virginia proposes that no wet State which is surrounded by dry States shall have the right to ship its wines across the dry State to other States that may want them. For instance, supposing the State of California was surrounded by dry States, under the amendment proposed by the Senator from Virginia, there could be no transportation across those dry States. The right of the State of California to sell its wines to the people of New York or Connecticut who might want to buy it would be forbidden, because, under the Senator's amendment, transportation in a State which is dry would be forbidden. My amendment explicitly provides that no dry State shall prevent two wet States from engaging in interstate commerce in alcoholic beverages if they so desire.

Mr. WAGNER. Mr. President, will the Senator from Connecticut yield to me?

The PRESIDING OFFICER (Mr. JOHNSON in the chair). Does the Senator from Connecticut yield to the Senator from New York?

Mr. BINGHAM. Not just now. We have been endeavoring to secure the repeal of the eighteenth amendment, in the first place, in order that we might protect our young people against the evils of the speak-easy; in order that in the course of time we might again have in the United States such a condition that the number of persons arrested for intoxication would be steadily diminishing.

I have been told that in the State of Indiana, prior to prohibition, under regulations adopted by the State of Indiana, which placed a high license on all saloons—I think it was $1,000 on each saloon; with provisions that there should be no screens, no barriers, to prevent anyone seeing who was taking a drink inside, and various other regulations—the State derived a considerable revenue, and intoxication was steadily diminishing. Then came prohibition; the screens went up, the revenue went down, and all regulations were wiped out except that nobody should have a drop to drink. They laughed at that; they went in back of the screens, people of any age took all they wanted to drink, and intoxication increased. That is one of the reasons why we want the eighteenth amendment repealed.

I have a letter from a distinguished citizen of an important town in New Jersey, in which he states that before prohibition they had two saloons; they were well regulated, no young people were permitted in them, liquor was never sold to anyone under 21 years of age; their young people were protected; but, under prohibition, he states that there are more than 50 speak-easies in that town. Not one of them denies any young person, no matter how young, the opportunity of buying liquor; the young people are debauched; and he further says that the present condition is far worse than the previous condition.

I was talking the other day with a distinguished citizen of a city in New England, where there is a large foreign population, and where, I was told by him and his friends, that it is possible to buy liquor, beer, and various intoxicating beverages in any number of places. I mention that because that is the sentiment of the town. Yet he tells me that there is not a hotel or restaurant or a country club within 10 miles of that city or within the city limits that will grant permission for the holding of a high-school dance, because of the conditions that would prevail if such permission were granted. The people in that town, although to-day they can buy all the liquor they want, desire prohibition done away with because they believe that it has caused the demoralization of their young people.

Mr. President, the amendment proposed by the Senator from Virginia will not take care of that situation at all. It will not take away from the Federal Government the doing of the impossible, as has been proved by the experience of the past 10 years. It will make it the duty of the Federal Government to go into each community and see what places may be denominated saloons. I presume the Senator will state that a speak-easy would be denominated a saloon, although it is not so denominated to-day.

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

Mr. BINGHAM. I yield to the Senator.

Mr. WALSH of Massachusetts. I ask the Senator would he prefer a constitutional amendment, which would simply provide for the repeal of the eighteenth amendment?

Mr. BINGHAM. That is what I have offered, Mr. President.

Mr. WALSH of Massachusetts. The Senator's proposed amendment contains an explanation?

Mr. BINGHAM. I have offered that as an amendment to the amendment proposed by the Senator from Virginia. It has two or three sentences in it to explain what it means.

Mr. WALSH of Massachusetts. I asked the Senator if he thought it could be adopted by the States, would he prefer the proposed amendment declaring alone for the repeal of the eighteenth amendment?

Mr. BINGHAM. That is what I have proposed in the amendment offered by me.

Mr. WALSH of Massachusetts. As I read the Senator's amendment, it has several sentences attached to it by way of explanation of the rights of the National and State Governments.

Mr. BINGHAM. I do not think the Senator was present when the Senator from New York [Mr. WAGNER] suggested that those sentences were practically unnecessary, because the Federal Government had that power to-day.

Mr. WALSH of Massachusetts. Has the Senator withdrawn those sentences?

Mr. BINGHAM. I stated to the Senate in the absence of the Senator——

Mr. WALSH of Massachusetts. Let me put my question a little differently. There are three proposals—one a flat statement declaring for the repeal of the eighteenth amendment, which I understand to be the so-called Wagner proposal; second, the Senator's proposal which declares for the repeal of the eighteenth amendment and also has some explanatory phrases. Am I correct?

Mr. BINGHAM. That is correct.

Mr. WALSH of Massachusetts. Then there is a third proposal, that of the Senator from Virginia which seeks to link with the repeal of the eighteenth amendment the assurance of the nonreturn of the saloon and protection to the dry States against the importation of intoxicating liquors from the wet States.

If I have stated correctly the three proposals, I ask the Senator if his first choice is what is my first choice, namely, an amendment proposing a flat repeal of the eighteenth amendment and nothing else?

Mr. BINGHAM. I think I stated when the Senator was absent that the reason why I preferred the amendment which I have offered is that I thought it was more likely to be adopted, because it would assure the people who voted for it, who are not as familiar with the Constitution as is the distinguished Senator from Massachusetts and as is the distinguished jurist, the Senator from New York [Mr. WAGNER], as to the power of the Federal Government to control interstate commerce and foreign commerce and to protect the States in interstate commerce.

If we should adopt the proposed amendment offered by the Senator from New York, of which I am in favor—and the same provision is in my amendment, with explanatory sentences—I fear many people, not knowing the power actually possessed by the Federal Government, would be frightened and, therefore, that there would be less chance of securing its adoption. That is the only reason why I favor certain sentences in my proposed amendment, so as to encourage those who fear the oppression of the dry States by the wet States or the wet States by the dry States to believe that their rights would be respected.

Mr. WALSH of Massachusetts. I have asked the Senator these questions to see how far we are apart. Personally, I favor the amendment which simply states the proposal to repeal the eighteenth amendment. That is my first choice. My second choice is the Senator's proposed amendment. My third choice is the amendment proposed by the Senator from Virginia; but I am as sure as that I am standing here that 36 of the 48 States will never ratify a proposed amendment that does nothing more than provide for the repeal of the eighteenth amendment. Therefore, I think we have got to be practical about it and that any other course than using some such words as those employed by the Senator from Virginia in his proposed amendment, although I dislike very much to have them in the amendment because they are in derogation of the power of the States, would result in nothing but postponing, delaying endlessly the repeal of the eighteenth amendment. So it would seem advisable from the practical standpoint to include in a proposed amendment for repeal, a promise that the saloon will not come back.

Personally, I do not think we ought to have to do that, but there is no use in spending time needlessly, and we will never get 36 States to agree to a flat proposal merely to repeal the eighteenth amendment, because in every pulpit and on every stump in the country we will be confronted with the saloon issue, and it will be said that the repeal of the eighteenth amendment means the return of the saloon in New York and in Massachusetts and in Wisconsin and in Connecticut. Therefore, I fear we will never get an amendment adopted that does not go beyond a flat repeal.

So I agree with the Senator that it is necessary, as a practical matter, that some explanatory words be used and some concessions be made, but personally I regret that the situation in the country is such that we can not end this debacle by simply a flat declaration favoring the repeal of the eighteenth amendment.

I thank the Senator for permitting me to make these observations.

Mr. BINGHAM. I feel, Mr. President, that the plank of the Democratic platform favoring the repeal of the eighteenth amendment and the Volstead Act, with the adoption of which the distinguished Senator from Massachusetts had so much to do, favors the one thing that will save this country. Repeal is the one thing that will restore prosperity; it is the one thing that will put hundreds of thousands of men to work; it is the one thing that will furnish a market for 100,000,000 bushels of grain; it is the one thing that will furnish a market for 7,000,000 tons of coal; it is the one thing that will put hundreds of locomotives and thousands of freight cars to work; it is the one thing that will give the automobile truck factories in Michigan and in other States orders for hundreds of automobile trucks; it is the one thing that will turn the corner of the depression. As I have repeatedly stated on the floor of the Senate, I admire that plank; when it was announced in Chicago I acclaimed it, and I came back immediately to the floor of the Senate and did all I could to secure the immediate adoption of part of it, believing honestly and sincerely that when the Democrats said "immediately" they meant immediately, and that they did not mean what the Senator from Mississippi stated yesterday they meant, namely, some time in the future, after the next election; that after they obtained a majority here, after the 4th of March, if the country wanted what they offered, then they would vote for it.

Mr. MORRISON. Mr. President——

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

Mr. BINGHAM. I am sure the Senator from Massachusetts had no such idea when he voted for it; and he has shown it by his votes on the floor of the Senate in the last two or three weeks.

I did not start that measure in any effort to put the Democratic Party in a hole. I have been charged with that repeatedly on this floor; and, of course, in these days of political charges I am expecting any kind of unfair charge, even from my friend the Senator from Virginia or other Senators, that what I was doing was merely in the endeavor to reelect myself. If that is all they think of repeal, they have shown it by their criticisms. If that is all their real sincerity in desiring the modification of the Volstead Act and the repeal of the eighteenth amendment, they have shown it by their charges against me. They have shown it in the speech of the Senator from Mississippi last night, wherein he stated, most inexplicably to me:

> We know what we are about. We were clear cut and direct in what we said our plank would be. We knew, when we adopted it, what we were doing. We expect to go before the country on

that proposition, and we are going to live up to it. If we are intrusted with power by the people from New Jersey, and by the citizens of this country, after the 4th of March, we will live up to the platform.

Oh, yes, Mr. President; it was adopted to win the election, "and if we win the election, after the 4th of March we will live up to it." But the Senator from Massachusetts and the Senator from New York did not interpret it that way. I did not interpret it that way. I have been working for two years trying to get modification of the Volstead Act through. The first year it slumbered in committee, and I could not even get a hearing. The second year we succeeded in getting a hearing, and for several weeks all the time the drys wanted was allotted to them, and a sufficient amount of time allotted to the wets, and we took 600 printed pages of hearings; and the committee voted as they were expected to vote beforehand, those who had previously declared themselves as drys voting dry, and those who had previously declared themselves as wets voting wet.

That report was made to the Senate, and it was on the calendar for two months; and when I heard the news from Chicago I rejoiced, because I thought sincerely there was now a chance to get the Volstead Act repealed and to get the corner turned in regard to prosperity, and I immediately took steps to press, for all I was able to do, that immediate modification. I believed it could come.

I took a list of the Senators in this body, and in the presence of several of my friends in the press gallery we went over it, and we counted as favoring it those on this side of the aisle who had previously voted for modification, and we took on the other side of the aisle those who had previously voted for it. In the case of those who had not declared expressly against it, like the Senator from Texas and the Senator from Virginia and the Senator from Arkansas, we did not expect them to change their oft-pronounced views; but we did think that we had enough on the other side of the aisle to accept the statement of the Democratic platform. It was one of the greatest disappointments I have received when in the course of the debate it became apparent, and through the newspapers it became known, that there was going to be no effort to get a real vote on it, and I was accused of playing personal petty politics.

Mr. KING. Mr. President——

Mr. BINGHAM. Of course in a campaign one may be accused of anything; but I ask those who respect my word to take my word for it when I say that I honestly thought we could get that immediately done. I believed we would be able to do it. I believe that had there been more Senators here who did not interpret the platform as does the Senator from Mississippi we could have seen this country on the way to prosperity before many months have passed. We could have seen thousands of men put to work. We could have seen hundreds of thousands of bushels of grain in demand, and millions of tons of coal put to work, and the wheels of industry turning. We could have seen the Government revenue increased. We were told by the Commissioner of Internal Revenue that the very day after this was passed, so simple was it, he would have been able to collect Government revenue from it.

Mr. MORRISON, Mr. LEWIS, and Mr. KING addressed the Chair.

The PRESIDING OFFICER. Will the Senator from Connecticut yield to the Senator from North Carolina first?

Mr. BINGHAM. We were told by men in the colleges, distinguished professors, that in the course of time it would lead to an improved condition on the part of the young people over whom they had jurisdiction. We were told by heads of schools and colleges and various universities, who had not the slightest interest in the liquor business—so often referred to by the Senator from Idaho as though that was something that contaminated anybody that touched it—we were told by persons who had not the slightest concern with it, whose only concern was with the young people and their morality and their sociability and to get away from the present situation, where they seemed to find insidious pleasure in drinking cocktails and hard liquor, that the passage of this modification would really lead to better circumstances and a better condition.

Mr. LEWIS. Mr. President——

Mr. BINGHAM. We were told that repeatedly, and I believed it; and the evidence that was presented before us on the part of various judges of the municipal courts of this land was to the effect that never before had there been so much intoxication on the part of young people as under this iniquitous act.

The amendment as offered by the Senator from Virginia will not do any good. I am surprised that the Senator from Massachusetts should say it is the best we can get. If that is adopted, on the very next day we shall have to begin to see if we can not repeal it.

Mr. WALSH of Massachusetts and other Senators addressed the Chair.

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

Mr. BINGHAM. I think the Senator from North Carolina has been patiently asking the longest time to interrupt me. I yield to him.

Mr. MORRISON. Mr. President, I just wanted to inquire of the Senator, if the benefit that he contemplates will come to the country in the way of increased prosperity by the repeal of the eighteenth amendment and the prohibition laws, whether that does not contemplate a greatly augmented consumption of intoxicating liquors, whisky, and so on, and an increased traffic in them. Otherwise, how would it give so many more men employment—though they might be more desirable characters—than is the case now, when he seems to be contending and trying to establish that more liquor than ever is sold, and the country is more demoralized than ever?

Mr. BINGHAM. No; I did not claim that more liquor than ever is being sold and I do not think that was the position taken by the constituents of the distinguished Senator from North Carolina in the recent primaries. [Laughter.]

Mr. LEWIS. Mr. President——

The PRESIDING OFFICER. Does the Senator from Connecticut yield to the Senator from Illinois?

Mr. BINGHAM. I yield to the Senator.

Mr. LEWIS. I hesitate to break into what I might call the uninterrupted flow from the crystal fount; but I should like to ask the Senator from Connecticut if he, in referring to the amendment he tendered touching the Volstead law, does not refer to the amendment he tendered to the bill known as the home bank bill? Is it not that amendment to which he alludes, which, tendered to the home bank bill, was subsequently referred upon a motion merely to the Judiciary Committee for division, one part into a beer bill, the other part into a bank bill? Is not that the amendment to which he alludes? Did he ever tender in the last two days, and does he mean to lead the public to understand that he did tender, a distinctive measure on beer, purely as a measure of beer, singly and solely, which could have been voted on by this body as nothing but a measure of beer?

Mr. BINGHAM. Yes, Mr. President; that was offered some two years ago, as I stated.

Mr. LEWIS. Two years ago; yes. I was speaking about two days ago. There is a difference between two days and two years.

Mr. BINGHAM. That bill was before the committee for a year without being considered, and finally was reported out and was on the calendar, and was objected to every time it came up by some Senator or other. It was not until the Democratic convention led everybody in the United States, with the exception of the Senator from Mississippi [Mr. HARRISON], to believe that they meant "immediate" when they said "immediate" that I believed that the time had come to press it; but we were then in the very closing days of the session, and the only way, under what we were told by the leaders of the House of Representatives, in which we could get it considered was by putting it as a rider on some House bill that the House must consider.

I have never before offered as a rider to another bill a bill in which I was interested, except in two or three minor

cases, as the Senator may recall in the instance of a decoration for a distinguished aviator, or something of that sort; and I did not like to do it, but it was the only way in which we could get it done. It was the only way in which we could get the House to vote upon it. Had the Democrats in the Senate and in the House been willing to believe that their party platform meant immediate modification when it said so, we could have had it, and it would have gone up to the President, and it would have then been up to him as to whether or not we might have had it.

Mr. LEWIS. What bill does the Senator say? To what bill does the Senator say he tendered the rider?

Mr. BINGHAM. The Senator will remember, because he was——

Mr. LEWIS. Yes; I remember it, and I should like the Senator to remember it and state it so that his countrymen may know it.

Mr. BINGHAM. Everybody knows that the only bill that was before us——

Mr. LEWIS. What was it?

Mr. BINGHAM (continuing). That there was any opportunity to get the House to consider, the only bill that there was any opportunity to offer it to as an amendment, was the home loan bank bill. I stated at that time that it was appropriate as an amendment to that bill because it would permit at least 100,000 persons to start to buy their homes and to pay their debts on them, whereas the bill itself gave them a chance only to borrow more money, and heaven only knows where they would get the money to pay it back.

Mr. LEWIS. That is the bill to which the Senator claims he offered the amendment; is it not true? That is the bill to which the Senator alludes now?

I hope the Senator has not been stricken with dumb silence by virtue of the consciousness on his own part of the incongruity of his own statements.

Mr. BINGHAM. Oh, no.

Mr. LEWIS. Will he please reply?

Mr. BINGHAM. The Senator's vocabulary is at least twice as beautiful and twice as large as mine. His knowledge of the English language and the classics——

Mr. LEWIS. It is not vocabulary I seek but veracity. [Laughter.]

Mr. BINGHAM. The Senator's wit is also faster than mine; but the Senator will have some difficulty in explaining to the country why he alone, of all the wets on the other side of the aisle, was so meticulous in regard to placing an amendment on a bill to permit people to borrow money to build their homes that he could not, forsooth, bring his conscience to the point of voting for something that would give them more money to pay for the homes which they have already bought, instead of losing them.

Mr. LEWIS. I could not bring my conscience to vote for something which could do nothing for anything, which was the amendment of the Senator.

Mr. BINGHAM. The Senator will have considerable explaining to do about his vote. I realize that.

Mr. LEWIS. I am not, as the Senator from Connecticut is, a candidate for office; and if I were I should have no difficulty in facing my people, such as the Senator seems to have in anticipation in facing his.

Mr. BINGHAM. In that case I do not quite understand why the Senator from Illinois is so anxious to explain to the people of the country just what the bill was, the amendment to which, proposed by me as an amendment to the Volstead Act, he voted against.

Mr. LEWIS. It is my desire that they may know the truth from the public records, rather than the complications which the Senator ever presents when he makes an argument.

Mr. BINGHAM. If there is anyone who is endeavoring to complicate the situation, it is the Senator from Illinois.

Mr. President, of course, if we can not have the amendment offered by the Senator from Virginia amended so as to take the Federal Government out of the States, I shall have to vote for the amendment, because it is a step in the right direction. The next day after I vote for it I shall have to start an agitation for a further amendment. I believe that half a loaf is better than no bread, although I doubt if this is even half a loaf. Drafted by a lifelong dry, who has frequently boasted that he never saw anything pleasurable in a glass of wine or a glass of beer, who admits that he does not know the percentage of alcohol that may be considered intoxicating, who has stated that one platform plank was adopted by a frenzied political assemblage and that the other platform plank was adopted by an even worse frenzied political assemblage, this amendment, offered in order to get the Democrats out of a hole by a Senator who himself does not believe in the repeal of the eighteenth amendment, is not going to fool anybody.

As I say, if we can not get it amended so as to take the interference of the Federal Government out from the States, where the Federal Government has done so much harm, if it is offered as a measure of some relief, I shall have to vote for it, greatly as I regret it. But it may be some measure of relief.

It is not in itself operative. It will require a second or junior Volstead Act to carry it out, and I believe that the sentiment of this country is such that before very long we will have a majority in both Houses of Congress that will refuse to pass any enforcement act for such an amendment, just as we have refused to pass any enforcement act regarding some other amendments to which I might refer, but do not desire to, because I do not wish to cloud the issue on this question.

Mr. President, as I stated, the eighteenth amendment and the Volstead Act have failed, because we have thought that the Central Government might go into any community and stop the saloon in that community. In the face of all the evidence, the Senator from Virginia claims that if this amendment be written into the Constitution, we can satisfy the people that the saloons will not return.

How about the speakeasy? Is that to return, or is it to be driven out, or is it to stay just as it is? I can assure the Senator from Virginia that if the history of the past 12 years is any criterion, there will be just as many speakeasies in the big cities, where they desire people to have alcoholic beverages, as there are to-day.

Mr. GLASS. Mr. President——

Mr. BINGHAM. There may be no open saloons—there are no open saloons to-day—but there will be just as many speakeasies, because this experiment has shown what every student of history has known, that when a great central government attempts to place its laws over the people of a community in regard to their manners and customs, which they have inherited from their parents, and which they do not believe to be wrong, although it may make them illegal, it can not make them immoral, and it can not make them give up those manners and customs, unless the people in the community, by a majority of public opinion in that community, determine that it is immoral and undesirable.

I yield to the Senator.

Mr. GLASS. The Senator seems to speak with intimate knowledge and convincing authority of speakeasies. What is a speakeasy?

Mr. BINGHAM. The Senator from Virginia ought to know.

Mr. GLASS. Why ought he to know? He never came within a thousand miles of one, so far as he knows. Why ought he to know?

Mr. BINGHAM. I have never been in a speakeasy.

Mr. GLASS. Then what is a speakeasy?

Mr. TYDINGS. Mr. President, if the Senator will yield to me, I would like to give a definition.

Mr. GLASS. Is not a speakeasy a concealed saloon, an illicit saloon? I have had that impression, but the Senator is an authority on the subject. Let him tell us what a speakeasy is.

Mr. BINGHAM. There is no question about it; but all these drys, all these people who want prohibition, all these people who do not want the eighteenth amendment repealed—like the Senator from Virginia, who would object to its real repeal—think the saloon has been done away with,

and that we must not do anything to restore the saloon, when actually we have concealed saloons, but they are not actually known as saloons. The Senator from Virginia tells the representatives of the press that his amendment would not prevent the sale in restaurants. Just where he draws the line——

Mr. GLASS. No; I did not tell the representatives of the press anything of the sort.

Mr. BINGHAM. Very well, Mr. President; then the Senator——

Mr. GLASS. The Senator ought to be more careful in his assertions of alleged facts here on the floor.

Mr. BINGHAM. There is nothing doubtful about the alleged fact that he was so reported in the press, and now, when the Senator from Virginia says he did not say it, I hope the press will take notice of the fact that the Senator from Virginia did not state it, and therefore that his amendment would prevent the sale of liquor or beer in saloons.

Mr. GLASS. In saloons; yes.

Mr. BINGHAM. In restaurants.

Mr. GLASS. No; I did not say that. [Laughter.]

The VICE PRESIDENT. The Chair admonishes the occupants of the galleries that there must be no demonstrations.

Mr. BINGHAM. It would prevent the sale of beer or wine or liquor in restaurants, I ask the Senator?

Mr. GLASS. I said nothing of the kind.

Mr. BINGHAM. Is the Senator denying both statements?

Mr. GLASS. I am pretty nearly prepared to deny every statement the Senator has made since he began his speech. [Laughter.]

Mr. BINGHAM. I have no doubt of that whatever. The Senator has himself in a bad hole. The Senator has himself in a place where he states that he never said that his amendment would prevent the sale of alcoholic beverages in a restaurant, and now he says that it would prevent the sale of alcoholic beverages in a restaurant. If that is not a hole, I do not know a hole when I see one. [Laughter.]

Mr. GLASS. I said, Mr. President, just the reverse of what the Senator attributes to me. I said it would not prevent the sale of intoxicating liquors in hotels or restaurants.

Mr. BINGHAM. Then the press reported the Senator correctly, and a few moments ago the Senator said that he had never made any such statement. Now the Senator admits he did say such a thing.

Mr. GLASS. The Senator from Connecticut is in such a confused state of mind that there is no use in my debating further with him.

Mr. BINGHAM. I do not blame the Senator from Virginia for being irritated, Mr. President. I am not surprised. He has offered an amendment to the Constitution in which he says, in the first place, that he is for the repeal of the eighteenth amendment. That sentence is clearly expressed. In the very next sentence the vivacious Senator from Virginia proceeds to write a police regulation, in which he retains the Federal Government in the duty of policemen in every city, to see that there shall be no intoxicating beverages sold where they are consumed, in places commonly called saloons.

Of course, a restaurant is not commonly called a saloon. I never heard a speakeasy commonly called a saloon, although everybody knows that it really is a saloon, and everybody knows that a restaurant where one goes regularly to buy beer or wine might be called a saloon, just as a speakeasy might be called a saloon. But the advocates of the eighteenth amendment and the advocates of the Volstead Act have so repeatedly told us that we must do nothing to restore the saloon that I assume from what the Senator from Virginia places in his amendment that he thought that the saloon had been abolished and that we must do nothing to permit the return of the saloon.

Mr. President, the evidence is overwhelming from all over the United States that, notwithstanding the eighteenth amendment and the Volstead Act, the amount of intoxication has increased since before prohibition. Every time that statement is made somewhere some member of some dry organization gets up and says that it is not true that the amount of intoxicating beverages has been increased in its consumption, and, of course, that is true.

Mr. BROOKHART. Mr. President——

Mr. BINGHAM. The amount consumed is not so great, for in the days before prohibition there was a large amount consumed temperately by people who never became intoxicated and who can not get it to-day and who have to do without it. But that is not what anybody claims—that the amount is the same or greater. What they claim is that the number of arrests has increased in cities where prohibition has been adopted and has diminished in cities like London, where there has been no prohibition.

Furthermore, the remarkable fact is that in New York City——

Mr. BROOKHART. Mr. President——

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

Mr. BINGHAM. No. The remarkable fact is that in New York City, which is commonly called the wettest city in the country, where those who are familiar with it tell us that there are any number of places where intoxicating beverages may be bought at any hour of the day or night, the wettest city in the country, according to the drys themselves in New York City, the amount of intoxication, as registered on the books of the police court, has diminished. That is the extraordinary feature, that in a wet city the amount of intoxication has gone down.

Mr. President, before I conclude I want to call attention to some remarkable sentences in the very interesting political address delivered yesterday by the senior Senator from Mississippi [Mr. HARRISON], part of which was aimed at the senior Senator from Utah [Mr. SMOOT] and a part of which concerned the eighteenth amendment and the plank of the Democratic platform. I think these linguistic and oratorical gems should be extracted from the maze of this rather long and extremely brilliant address. I am only sorry that the Senator from Mississippi is not here. I do not ordinarily refer to Senators in their absence, but he did me the honor of making some references to my position during my unavoidable absence yesterday, so I trust that neither he nor anyone else will object to my culling these beautiful gems of political thought from his address, particularly in regard to the matter now under discussion.

In reply to something said by the Senator from New Jersey [Mr. KEAN] the Senator from Mississippi said:

> Does the Senator think we are so foolish, that we know so little about politics, as to pass a beer proposition here at this session of Congress?

Now who is playing politics? Now who is placing the interests of the country and the modification of the Volstead Act above any immediate value it might have for the benefit of a political party at the polls?

> Does the Senator think we are so foolish, that we know so little about politics, as to pass a beer proposition at this session of Congress?

Of course not. It might take away an interesting plank, an interesting offer at the polls. It might prevent some Senators from going to their constituents, Senators like my good friend the smiling Senator from Maryland [Mr. TYDINGS], saying, "Vote for me and we will get immediate modification of the Volstead Act." Certainly, if we had it now, it might take it away from the Democratic Party in November. What a strange thing that would be. Who is playing politics? The Senator went on to say:

> Does the Senator think that if there is any advantage to come from the modification of the Volstead law within constitutional limitations in the coming election we are going to give it all away by voting for modification at this time?

My friend the senior Senator from Arizona [Mr. ASHURST] shakes his head. Certainly not.

Mr. ASHURST. Mr. President——

Mr. BINGHAM. They are not going to give away any such advantage as that by voting for modification now.

The country can wait for its beer until the 4th of March, next. We are not going to vote for it now. That might destroy an issue in the coming election.

Mr. ASHURST. Mr. President, I voted against his amendment simply, solely, and only because I believed it would have been a violation of the Constitution of the United States.

Mr. BINGHAM. No, Mr. President; not at all. I thought the Senator said on one occasion that he had changed his views from formerly a dry to now a wet because his party had gone wet, and that if he could find out what his party meant when it advocted immediate beer he would vote for immediate beer. When I called his attention to three Senators from his party who were at Chicago, two of whom were on the committee, and that they had said 2.75 per cent was what they meant by constitutional beer, would he vote for it? Oh, no; he was not satisfied with that. He wanted it to go to the Judiciary Committee, which has for years had before it various proposals for modification of the Volstead Act and has never reported one of them.

Mr. ASHURST. Since the Senator has drawn me into this——

Mr. BINGHAM. I appreciate that fact. I apologize to the Senator. I withdraw my remarks.

Mr. ASHURST. No apology is necessary, but I want the RECORD to show that my vote against his beer amendment was simply, solely, and only because I believe, and I believe the overwhelming weight of evidence was to the effect, that 2.75 per cent beer is intoxicating, and therefore under the present Constitution not permissible.

Mr. BINGHAM. Alas and alackaday! Now we know how much help those of us who would really like to have a glass of beer will get from the Democratic Party when they will not even let us have that slop known as 2.75 beer which was permitted under war-time prohibition.

The Senator from Mississippi went on to say:

So, if the resolution for the repeal of the eighteenth amendment is proposed by the Congress in March—

This is to be determined by the election in the fall and by the people of the country if they believe the Democratic plank is right and show it by their votes. Then when we come back in December we will take up the matter, said the Senator from Mississippi. He went on then to say:

If the resolution for the repeal of the eighteenth amendment is proposed by the Congress in March, I dare say it will take some months—indeed it may take a year or more, or several years, before the requisite number of conventions of the States shall have adopted the proposition. In the meantime, in the interim, before the eighteenth amendment shall have been repealed, we pledge ourselves, in this plank of the Democratic platform—and we expect to go before the country on that proposition during this campaign—that on the 4th day of March, or as soon thereafter as possible—

In other words, probably the 4th of the following December, unless the President of the United States should call an extra session—

On the 4th day of March, or as soon thereafter as possible, we will modify the Volstead law within the constitutional limitations.

According to the Senator from Arizona [Mr. ASHURST] it will be something less than 2.75 per cent, but the Senator from New Jersey then said:

It does not answer my question because the Senator from Mississippi says on the 4th day of March and the platform says "immediately."

The Senator from Mississippi replied:

Oh, the platform says "immediately."

"Oh, the platform says 'immediately,'" said the Senator from Mississippi. Oh, the plank says "immediately," does it? He was out there, but he just discovered that the platform said "immediately," and so he expressed great surprise.

Oh, the platform says "immediately."

And the Senator from New Jersey said:

Therefore the Senator repudiates the Democratic platform.

The Senator from Mississippi said, "Immediately"!

Oh, yes; "immediately;" and then he went on to say:

That plank was not adopted for the guidance of Congress at this session at all.

Of course not, Mr. President. It is nearly 16 years since a political convention adopted a platform while Congress was sitting and had to come back to carry out something that they said in that platform should be done immediately. They argued that the Congress was still in session.

The Senator from Mississippi went on to say:

"Immediately!" That plank was not adopted for the guidance of Congress at this session at all. That platform was adopted for candidates of the Senate and the presidential and vice presidential candidates to run on.

Of course it was. It was adopted for the candidates in wet communities to run on, but not to vote on at this time. No, indeed, Mr. President. Then the Senator from Mississippi went on to say:

No one ever dreamed that the question would come up in this session of Congress.

Of course no one ever dreamed it would.

And from a Democratic standpoint it would be a foolish thing for us to try to take action now.

Of course that is the reason they sent it to the committee presided over by the Senator from Nebraska [Mr. NORRIS], because it would be a foolish thing to take action now.

Then the Senator from Mississippi went on to say:

Let those who want to modify, whether it be in Connecticut or up in Rhode Island or in New Jersey, those who want the Volstead law modified, vote the Democratic ticket, vote for the platform that insures that.

And now listen, Mr. President:

And after the 4th of March, if they will give us enough votes here, we will put it over for them.

"If we win, we will put it over;" otherwise we will continue to vote to send it to the Committee on the Judiciary, where it will slumber peacefully as long as possible in order that there may be no embarrassment to anybody to know whether he really wants to vote to have beer now or at some distant day in the future.

Mr. TYDINGS. Mr. President, I want to say a few words on the merits of the eighteenth amendment, and I hope I will not be drawn into a political discussion. After all, we are to consider an amendment to the Constitution of the United States, and in that consideration we must rely upon the results which have followed from our experience in the matter to enable us to determine how we shall vote in passing upon a new amendment dealing with the subject.

I shall vote, if I have the opportunity, for a straight, unadulterated, and unembellished repeal of the eighteenth amendment. I do that because I have faith in the people of each State to set up a form of liquor control in each and every State in the Union, and I believe that no State will permit a return of the saloon. Any Senator who proposes to write into the Constitution a provision saying that the saloon shall not come back says in effect that he has not faith in local self-government and State responsibility. That is what is wrong with the eighteenth amendment. We took a local matter from the States of the country and made it a national problem, and it has taken 13 years to find out our mistake, and yet the same people want to hang on to a vestige of that mistake.

I have had considerable to say at times about prohibition. I will make a statement now which I have made over and over again. I am not interested in getting liquor for the people of Maryland or New York or any other part of the country. What I am interested in is letting them be the masters of their own fate in their own States without the interference of the Federal Government.

The control of intoxicants in a country as big as this is not a national matter. Our country is thirty-three times the size of Great Britain, sixteen times as large as Germany, fourteen times the size of France, with Italians and Frenchmen, Englishmen and Poles, Scandinavians, Russians, and all sorts of national and racial derivations. Obviously, to

put all the people into one strait-jacket, with all our diversions of climate and industry and background and viewpoint and traditions, never could work.

It was doomed for failure, not since the Democratic candidate said it was doomed for failure from this moment on, but it was doomed from the moment it was enacted. All it took was sufficient time to show the absurdity, the lack of logic, which brought about its adoption. I admit that those who voted for it were inspired by the finest of motives and sublime idealism that they could do away with the curse of liquor by saying in effect that it would be illegal to have it in America. They thought they would prevent drunkenness; they thought they would help women whose drunken husbands came home at times, after having squandered their wages in saloons, and often mistreated their wives and children and often neglected them. But did it work? Did it stop it? Did it help the women? Did it eliminate the saloons or empty the jails? We have the biggest prison population in America to-day we have ever had in proportion to our total population. Every jail in the country is full. The Federal jails are so filled with prohibition prisoners that we have had to farm them out in the State, city, and county jails.

Has it helped the young? Right here in the city of Washington in the last 10 years five times as many persons under 21 years of age have been arrested for drunkenness as in the 10 years preceding prohibition.

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Chaffee, one of its clerks, announced that the House still further insisted upon its disagreement to the amendments of the Senate Nos. 46 and 47 to the bill (H. R. 12280) to create Federal home-loan banks, to provide for the supervision thereof, and for other purposes.

HOME-LOAN BANKS

The VICE PRESIDENT laid before the Senate the action of the House of Representatives further insisting upon its disagreement to the amendments of the Senate numbered 46 and 47 to the bill (H. R. 12280) to create Federal home-loan banks, to provide for the supervision thereof, and for other purposes.

Mr. BORAH. Mr. President, I have no objection to the Senator from South Dakota [Mr. NORBECK] submitting a motion, but I want time to consider it.

Mr. NORBECK. The House has again rejected the Glass-Borah amendment, this time by a smaller majority—156 to 102. I move that the Senate insist on its amendment. We requested a conference the last time, but the House did not grant it. I renew my motion that the Senate request a further conference with the House and that the Chair appoint conferees.

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

Mr. TYDINGS. I yield provided it does not bring on any debate and I do not lose the floor; otherwise I feel that I should go on in my own time with my remarks.

Mr. BORAH. Mr. President, I suggest that the Senator from Maryland go ahead for a few minutes.

Mr. NORBECK. Mr. President, will the Senator yield for another matter that will not lead to any debate?

Mr. TYDINGS. Very well; I yield, provided I do not lose the floor.

INTERNATIONAL TRADE IN AGRICULTURAL PRODUCTS

Mr. NORBECK. Mr. President, I send to the desk a resolution, to which I am sure there will be no objection, and ask for its immediate consideration.

The VICE PRESIDENT. Let the resolution be read for the information of the Senate.

The resolution (S. Res. 280) was read, as follows:

Whereas information on international trade restrictions on farm products is needed for the proper consideration of measures for farm relief; and

Whereas information on such subjects is already being accumulated by Government agents: Now, therefore, be it

Resolved, That the Senate request the United States Department of Agriculture and the Federal Farm Board jointly to investigate the restrictions which now exist upon international trade in major agricultural products throughout the world, the measures which are now being undertaken in the several countries to protect the economic position of their farm producers, and the effect, if any, these restrictions and measures have had upon the prices of farm products and the welfare of American farmers, and to report to the Senate upon these matters by the next session of Congress.

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

Mr. KING. Mr. President, I am not sure whether I apprehend the meaning of the resolution. I inquire of the Senator whether the resolution contemplates an examination by the agencies referred to of the tariff laws, their effect upon international trade and commerce, or just what fields are they to explore?

Mr. NORBECK. We think they could take a few hours off and give us the information from the department. We could have gotten it without the resolution, but we know we can get it better with it.

Mr. McKELLAR. It does not carry any appropriation, I understand?

Mr. NORBECK. No.

Mr. GORE. Mr. President, the Tariff Commission has already done a good deal of investigating of this subject, as has likewise the Department of Commerce. Does the Senator think that would be inadequate for his purpose?

Mr. NORBECK. This is broad enough to make sure that we will get all the information we want.

Mr. KING. Mr. President, with the explanation made by the Senator, I have no objection; but if those agencies interpret the resolution to impose upon them——

Mr. TYDINGS. Mr. President, I yielded for the purpose of the Senator introducing his resolution, but I am in the middle of my discourse and I do not wish to yield further.

The VICE PRESIDENT. The Senator from Maryland declines to yield further.

PROHIBITION—CONSTITUTIONAL AMENDMENT

Mr. McKELLAR. Mr. President, will the Senator from Maryland yield to me before he proceeds further?

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

Mr. TYDINGS. I yield for a question.

Mr. McKELLAR. The Senator said something about emptying the jails. I just want to read a very short statement and ask the Senator from Maryland what he has to say about it.

In the Washington Evening Star of to-day I read:

NASHVILLE JAIL EMPTY FOR FIRST TIME IN MEMORY

NASHVILLE, TENN., July 16.—The city jail was empty yesterday, the first time in the memory of police and jail officers that no cell was occupied.

All the doors in the building stood open, while turnkeys and other attendants sought cool spots to escape the heat.

Mr. TYDINGS. Mr. President, there are probably two answers. I may say humorously that the people of Nashville have gone over to Chattanooga where conditions are better, or else they are broke.

Mr. McKELLAR. At any rate, the jail there is empty.

Mr. TYDINGS. Mr. President, it is really regrettable that we do not comprehend what is involved in the eighteenth amendment. As I said a moment ago, those who projected it into our National Constitution, in my judgment, were impelled by the finest motives, but it has not worked; it could not work in a country like this. When we have a chance to change it, shall we keep a bit of its philosophy, which has not been successful, by retaining a police regulation as a part of the Constitution? I shall not vote for the proposed amendment to the Constitution offered by the Senator from Virginia, even as a last resort. I shall vote for the straight-out repeal of the eighteenth amendment, because I have faith that the people of the United States, in their respective States, can handle this question better than we can handle it for them.

My State is supposed to be an antiprohibition State. Aside from local pride, let me recount how it is situated to-day in this period of unrest and unbalanced budgets. First of all, we have a 10 per cent surplus in our Treasury. Our

tax rate has been reduced; our bonds sell as high as the bonds of the Government of the United States itself. We have more beds for tubercular patients in our State institutions than has any State or any country in the world outside of New Zealand. Ninety-eight per cent of the people of Maryland live within 2 miles of an improved highway. There is less distress in Baltimore, in my judgment, than can be found in any other city of comparable size.

We did all that without the help of the Federal Government. Compare the picture of the Federal Government itself with that of the so-called wet State of Maryland, and I will say that Maryland ought not to be tagging after the Federal Government; the Federal Government should be tagging after Maryland.

If we are competent to manage our own affairs in the State of Maryland so well, we can handle the liquor question better than the Senate or the House of Representatives or the President or the National Government can handle it for us.

If we shall adopt an amendment which does not meet with the support of the people of the States, we shall only go through another era of just what we have gone through. Prohibition is not a national question. It never should have been put in the Constitution; it never should have been taken from the control of the States. Prior to the adoption of the eighteenth amendment State after State was going dry by the vote, the support, and the will of the people; city after city was making more restrictive laws concerning the sale of intoxicants. The very year before the eighteenth amendment was adopted the little town in which I live voted the saloon out of existence there, and as an humble member of the legislature, and against the liquor ring in my State, I sought then to give the people of Havre de Grace a vote upon the question whether or not they wanted liquor sold there. That is the same principle for which I am contending to-day, to give the people of each State the right to govern themselves within their State borders and let the Federal Government confine its activities to interstate matters only and stay out of the realm in which it has no business or place whatsoever.

Are the people of the State of California unable to take care of their own affairs without the help of the Senator from Kansas, the Senator from Virginia, and the Senator from Maryland? I believe the people of California, through their representatives, can govern themselves just as well as we can do it for them. This whole proposition was wrong in its philosophy; it was a tissue of sophistry from top to bottom; and I appeal to Members of the Senate who are convinced that national prohibition has not been a success that we may retrace our steps back to the days of State rights when we were rapidly approaching temperance, for since that time we have gone in the opposite direction. All teaching of temperance has ceased; the old temperance societies have gone out of business. Wherever there was a saloon there are three speakeasies; wherever there was crime there is more crime; wherever there were graft and corruption there is more graft and corruption; wherever there was a waste of public funds there is more waste of public funds; wherever there were crowded jails there are more crowded jails; wherever there were minors arrested for drunkenness more minors are being arrested for drunkenness. If national prohibition had worked, I would still be opposed to it, because it seeks to teach with the policeman's club and the bayonet to drive into mankind the virtue of temperance—not by education, not by teaching, but through force. Any advance in progress which is obtained by force is not worth a continental; it is building out of sand. There is only one real kind of progress in human affairs and that is by the development of character and self-reliance and the progress which comes from evolution, teaching and training and self-restraint which are inside the individual and which can not be beaten into him by clubs and bayonets and jails and laws and fines.

I am afraid that we will try to carry water on one shoulder and wine on the other in deciding upon this matter. I am afraid that we are going to temporize with the Constitution once more; that we are going to leave in the Constitution a police statute while repealing the eighteenth amendment; that we are going back over the long trail once again until we come here 10 or 15 years from now and again find out that in our desire to regulate the saloon we have not regulated it as it can be regulated by the respective States.

I have every confidence that the people of Virginia can handle their liquor problems through their representatives much better than can the Senate and the House and the President or the National Government can handle them for the people of Virginia. I know that we can handle our affairs better in Maryland. What Senator will rise on this floor and say that without the aid of the Federal Government his people are unable to deal successfully with this question? Is there one?

Mr. SHEPPARD. Yes; I say so.

Mr. TYDINGS. The Senator from Texas says that without the help of the Federal Government the people of Texas are unable to deal adequately with the liquor question. I have no objection in the world to the Federal Government prohibiting shipments of liquor in interstate commerce into States which have gone dry. I think that is proper. Does the Senator from Texas mean that after the Federal Government has gone that far it should go still farther?

Mr. SHEPPARD. Yes, indeed; I do.

Mr. TYDINGS. Well, the Senator's philosophy and mine are entirely different.

Mr. SCHALL. That is true. [Laughter.]

Mr. TYDINGS. I do not need the Federal Government to bludgeon the people of my State to heaven; they will get there themselves if given the opportunity. [Laughter.]

Mr. President, in conclusion let me say that my first choice is the amendment which will shortly be offered by the Senator from New York [Mr. WAGNER], which simply says:

> The eighteenth amendment to the Constitution of the United States is hereby repealed.

My second choice is the amendment offered by the Senator from Connecticut. I do not like it, but it is not very objectionable. I have no third choice, and I shall vote against the repeal of the eighteenth amendment unless we get something that really repeals it. I do not want to half repeal it or three-quarters repeal it or nine-tenths repeal it; I want to repeal it completely and give the control of this question back to the States and to the people thereof from whom it should never have been taken, for they can handle this question for themselves a thousand times more efficiently than we can handle it for them.

Let me say a final word. What is the Government? It is nothing but a society of people; that is all. Do we want to give them the right to be the masters of their own fate in their respective States? What State outside of Texas—and I take issue with the statement of the Senator from Texas—needs help with which to run its internal affairs?

Mr. BROOKHART. Mr. President——

Mr. TYDINGS. I yield to the Senator from Iowa.

Mr. BROOKHART. Let me say to the Senator that every State that has prohibition needs protection from the wet States around it.

Mr. TYDINGS. I hope the Senator from Iowa understands that I am willing to give every dry State in the Union all the national protection it may ask to prevent the shipment of liquor within its borders from wet territory. That is a regular Federal function. Congress is given the power to regulate interstate and foreign commerce under one of the clauses of the Constitution; but where, outside of that, would the Senator have us go?

Mr. BORAH. Mr. President——

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

Mr. TYDINGS. I will yield to the Senator from Idaho in a moment. I should like first to have an answer from the Senator from Iowa.

Mr. BROOKHART. The Senator has repeated about one hundred and seventy-five times that he wanted to repeal the eighteenth amendment straight.

Mr. TYDINGS. Yes.

Mr. BROOKHART. Without any protection to the States?

Mr. TYDINGS. No; because they already have such protection under the interstate and foreign commerce clause of the Constitution. Among the 18 powers conferred upon Congress is the power to regulate interstate and foreign commerce, so that we can take care of Iowa, if it wants to be dry, without a constitutional amendment; and an act providing protection has already been passed and has been tested in the courts and held to be constitutional.

Mr. BORAH. Mr. President——

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

Mr. TYDINGS. I yield.

Mr. BORAH. I have before me a copy of Senate Joint Resolution 164, which the Senator says he favors as his second choice to the direct repeal of the eighteenth amendment as provided in the joint resolution offered by the Senator from New York. Is there anything in Senate Joint Resolution 164 except direct repeal?

Mr. TYDINGS. That is the very point I made. I do not think the additional language is necessary, but it is not harmful and, couched in the language it is, I would take it as a last resort; but I prefer the unadulterated repeal even to that.

Mr. BORAH. I think it is harmful. We certainly do not desire surplusage, ambiguity, and double meanings in the Constitution.

Mr. TYDINGS. I have not read it very carefully, I will say.

Mr. BORAH. The joint resolution reads in part:

> The Congress shall have the power to regulate the sale or transportation of intoxicating liquors in interstate or foreign commerce in a manner not to abridge or deny the powers herein reserved to the several States.

Congress has that power, or will have it just as soon as the eighteenth amendment shall be repealed. The provision I have just read adds nothing whatever to it.

Mr. TYDINGS. That is right; that is my contention.

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

Mr. TYDINGS. I yield first to the Senator from Idaho, and then I will yield to the Senator from Kentucky.

Mr. BARKLEY. I want to ask the Senator from Idaho a question.

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

Mr. TYDINGS. Very well.

Mr. BARKLEY. My attention has been called to the fact that during the Taft administration the then Attorney General, Mr. Wickersham, rendered an opinion holding the Webb-Kenyon law to be unconstitutional. Later the Supreme Court held that it was constitutional, with several dissenting votes, among them Mr. Justice Holmes and Mr. Justice Van Devanter. There are now only three members of the Supreme Court who were on the bench at the time the Webb-Kenyon Act was passed on. I realize the force of the suggestion that the Supreme Court has already held the law to be constitutional, but, in view of the change in the personnel of the court and the strong dissenting views at that time, if the court with its new members should have changed its views on that subject sufficiently to reverse their opinion in the previous case, then where would the Government be with reference to the protection of dry States?

Mr. BORAH. This particular clause would not add anything whatever to the power which is now expressed in the interstate-commerce clause. May I read it to the Senator again?

Mr. BARKLEY. Yes.

Mr. BORAH (reading):

> The Congress shall have the power to regulate the sale or transportation of intoxicating liquors in interstate or foreign commerce—

Undoubtedly the Congress now has that power. There is no dispute on that proposition; and nothing in the decision relative to the Webb-Kenyon Act would in any way detract from that power as expressed in the interstate-commerce clause.

Mr. TYDINGS. Has the Senator concluded his interrogation?

Mr. BORAH. No; I was going to ask another question.

Mr. BINGHAM. The Senator did not read the whole sentence.

Mr. BORAH. I did not read the whole sentence; but the balance of the sentence adds nothing to it and detracts nothing from it:

> The Congress shall have the power to regulate the sale or transportation of intoxicating liquors in interstate or foreign commerce in a manner not to abridge or deny the powers herein reserved to the several States.

That is repeating the first proposition.

Mr. BINGHAM. But it also refers to the second sentence in the article.

The VICE PRESIDENT. Does the Senator from Maryland yield?

Mr. TYDINGS. I am afraid I may lose the floor. I should be glad to yield to the Senator from Idaho, but obviously I can not yield to two Senators at the same time.

Mr. BORAH. Then it says, in line 3:

> The power to regulate or to prohibit the manufacture, sale, or transportation of intoxicating liquors is reserved to the several States.

That would be absolutely true if the eighteenth amendment were repealed.

Mr. TYDINGS. I think the Senator's comments upon the amendment are my own thoughts, namely, that we already have the power therein expressed when the eighteenth amendment is repealed. I can not see any real harm in it, but it is not good policy to put parts of the Constitution together which are unnecessary.

Mr. BORAH. The first provision of this article is:

> Article XVIII of the amendments to this Constitution is hereby repealed.

After that is accomplished, after it is repealed, then the States have power—

> To regulate or to prohibit the manufacture, sale, or transportation of intoxicating liquors—

That is undoubtedly true—

> except that no State may prohibit the transportation of intoxicating liquors in bond across its territory.

That is true now if Congress says it must not do so. It adds nothing to the first sentence of the amendment.

Mr. TYDINGS. Mr. President, the views of the Senator from Idaho and my own are in consonance.

Now, Mr. President, I want to make a very humble and perhaps not strong appeal to the Members of the Senate who do me the honor to listen to these parting words to restore this Government to the philosophy upon which it was founded and came to its great estate.

After the 18 powers are conferred upon Congress our Constitution says:

> The powers not delegated to the United States by the Constitution, nor prohibited by it to the States, are reserved to the States, respectively, or to the people.

My friends, we fought Great Britain for no other reason than to get local self-government. We did not fight because of taxation without representation. We fought for the right to govern ourselves; that is all. And men will fight for that right whenever it is called into question.

This country is too large to try to run it all from Washington. Why, this very amendment offered by the distinguished and learned and able Senator from Virginia has in it the vestige of bureaucracy. It will still provide for a smaller force, perhaps, than we have now to carry out the policing of the saloons, to see whether liquor is being consumed at the place where it is sold. We shall not be very far away from the old philosophy of the eighteenth amendment.

I appeal to you, Senators, to restore to the people of Connecticut, of Rhode Island, of California, of Virginia, of Louisiana, of Kansas, of Maine, and of the other States the right to settle this question as they think best, in line with the conditions that exist in their respective States, which they know far better than we do. If we do not do that, if

we keep some part of the eighteenth amendment, no matter how fine the motive may be for retaining it, we are only keeping a vestige of the very bureaucracy about which we are complaining now, and which has failed so dismally; because if we say that liquor shall not be sold at the place of consumption, if that becomes a part of the Federal Constitution, it is the duty of the Federal officers to enforce it, and we will have our Federal agents usurping the police powers of the respective States all over again.

Do not be deluded. The people of this country will see through it. There are only two courses open on this question, in my judgment. One is to give control of this matter to the Federal Government. The other is to give it to the States. We can not give it to both of them and get any sound or just or rational solution of this very difficult problem.

Prior to the adoption of national prohibition we were approaching—slowly, I will admit, but surely and accurately—temperance, and perhaps, away off, ultimate prohibition in approximation. Since we have had the eighteenth amendment State agencies have thrown off the yoke one after the other and turned the whole matter over to the Federal Government. What leads you to believe that again they will not throw off the yoke if this amendment is adopted and say to the Federal Government, "You have in your Constitution a provision that liquor shall not be sold in the place where it is consumed. We can not enforce it. It is sold in speakeasies. You enforce it. Our police force will not deal with it," and we shall be right back in approximation to where we are to-day.

Let us be honest with this thing. Let us come true blue on it.

I know there is a great group of people who feel that if the eighteenth amendment is repealed, the saloon will return. I do not believe the saloon will return in a single State of this Union. First of all, it would be silly for the so-called wets to let it return; and I will fight its return in Maryland, if we repeal this amendment, with every bit of force and energy at my command, because, in my judgment, it will no sooner return than we will adopt prohibition again after a period of 15 or 20 years, and have to go through this whole sickening experiment over again. I do believe that in my State and in every other State the people who complain against national prohibition will find a better solution than that which existed prior to the adoption of national prohibition.

I appeal to you to return this question to the States, and return all of it to the States, and let the Federal Government confine its activities to keeping contraband from coming in over the border, and preventing shipments from wet States into dry territory, but leave the respective States within their own borders to set up a system of liquor control behind which public sentiment can be rallied; and in the end we will get law and order and a stability and a result which we will not get by having half of this in the Constitution and half of it out.

My final word is, the Federal Government, on the one hand, or the States on the other, must, in the last analysis, deal with this question.

If we are going to take it away from the Federal Government, then let us put on each State the entire responsibility for what happens within its own borders. Let us not give it the responsibility and keep part of it in the Federal Constitution for the National Government, because, if we do, when the new system is put into effect we will have the same situation against which the country seems in rebellion to-day.

I therefore shall vote for the Wagner amendment, and, if that is defeated, for the Bingham amendment; not that I like the language of the Bingham amendment as well as that of the Wagner amendment, but if those two are defeated I shall not vote for the Glass amendment, because I see a police statute remaining in the Constitution which has no place there. It should be a complete grant of authority; and I can see another Federal agency going out in the respective States, paid for by the taxpayers all over the country, run by the Federal Government, which will be as ineffective as is the present one.

Mr. MORRISON. Mr. President, after the 4th day of next March, when the Senator from Connecticut [Mr. BINGHAM] and I visit this body to enjoy the privileges so generously accorded ex-Senators here, I do hope that he will feel as good at heart over having gone down trying to distance all comers in championship of legalizing the liquor traffic in the United States as I feel at having gone down standing for the eighteenth amendment and against legalizing the liquor traffic in any respect in the United States.

Senators seem to think that this matter is all about over, and, the two great political parties having placed a bridle upon the voters of the United States, that the eighteenth amendment is gone, and that we are going to have some sort of place where whisky can be legally dispensed to the people of the United States.

Mr. President, I do not desire to enter into a formal discussion of the subject in the legislative situation the Senate now is in; but I do think some voice ought to be lifted here on this occasion in behalf of those millions throughout this great Republic, who still think as I think that the eighteenth amendment was a great, solemn, well-considered action of the American people, acting through regular constitutional processes; that it was not an experiment, noble or otherwise, but the solemn determination of the great people of this Republic to place in the organic law of this land a fixed and determined purpose to outlaw the damnable traffic in whisky in the United States.

The Senator from Connecticut asserts in one part of his argument that we are drinking worse than ever, that there is demoralization and wreck everywhere; and in the next part of his argument he asserts that if we could abrogate the eighteenth amendment we would use millions more bushels of grain at once, and start an industry that would result in abounding prosperity throughout this distressed country. The Senator can not sustain both arguments. He may take either horn of the dilemma he pleases; but either whisky is not being sold in any such volume as the Senators from Connecticut and Maryland think, or repealing prohibition will not bring prosperity, because they are using the grain now.

The gentlemen who think as they think say they want to repeal prohibition to diminish the consumption of whisky. They assert that it is being sold at so many places and in such immense quantities that, in order to save the girls and boys of our land, they must legalize it and diminish the number of places at which it is sold.

Mr. President, it is all assertion. They say that it is demoralizing the girls and boys. I assert—and I have as much right to assert it as they have—that no law placed upon the statute books of this Nation in all time has done so much for the health and the morals and the happiness of the people of this Republic as the eighteenth amendment and the prohibition laws.

I want to say to the Senate, and through it, as far as my feeble voice shall go to the country, that the political parties of this country have no right to bridle the free thought of the people of this Republic. Yes; you enjoy a great apparent victory; but were it not for the fact that the two great parties deserted the prohibitionists of this country and put liquor planks in your platforms, through which you think you will take the mind and the conscience of the great hosts who belong to the Republican Party and the great hosts who belong to the Democratic Party and make them think as the machines of the two parties want them to think who had the power to write the platforms of the parties, you would not stand a chance, and there would not be any such hurry and boast and confident sweep of those who want to legalize the sale of liquor in the United States.

I shall trespass but a short time, Mr. President and Senators. But I want to say this, that there is talk about returning to the States all this power. How did the Federal Government get the power? They obtained it by the free grant of the sovereign people of the States after half a century

of discussion, and it was as clean and righteously arrived at a determination as the people of the States ever made in the history of this Republic.

There was no corruption in bringing about those judgments. The fight for it was led by those who preached the sermons and said the prayers of this Republic, not the corruptionists, not the boodlers, not the great money lord who wanted the power to sell liquor in his hotels in order that he might have profit. No; it came from the prayerful consideration of the great hosts which made up the great home life of this Republic, and it was not an experiment. They granted the power freely to this Republic; and while there has been effort at nullification all about over the Republic; while there has been organized a damnable political effort to assassinate it from the beginning by great, corrupt, and dirty political machines, nevertheless, it has blessed America. Talk about drunkenness. About the time we passed the eighteenth amendment there was hardly a law against ordinary drunkenness anywhere in this Republic. It was made a crime to get drunk along about the same time.

When I was a young man down in North Carolina, I was defending a fellow for being drunk, and the court, of its own motion, suggested that unless they proved that he was also disorderly, there was not any law against being drunk there, and it was so throughout the country. They assert that it has caused crime. I deny it. How do they attempt to prove it? With statistics of violations of statutes of a regulatory character which did not exist before.

I assert that the whisky being drunk now is not doing half the harm it used to do, with the hell holes called barrooms, whisky distilleries, where men went and drank and drank until they went down in health and in mentality, until they were finally found in the back end of a dive somewhere, if still alive, beaten up and drunk and ruined.

Yes; the little devilish drinking that some of the young people do now is not half so bad; and I want to assert now that I am as good a Democrat as ever wore a shoe, and I expect to stay in my party and support my party's ticket; but as to the liquor plank in it, I do not believe in it, and I would be a liar if I said I believed in it, as millions of other Democrats in this country would be if they said they believed in it.

One can not be made to believe in it by a party resolution and a party convention. While I do not want to prolong the discussion here, I shall stand ready, in the campaign that is to come, because, after all, political parties will finally have to let the people whom they think they have bridled have a vote on it, and when that time comes I shall be ready, proudly and boldly, to debate with anyone in defense of the eighteenth amendment and the necessary laws to carry it out, with any champion of legalizing the liquor traffic of any party who desires to engage in debate.

HOME-LOAN BANKS

The VICE PRESIDENT laid before the Senate the action of the House of Representatives still further insisting upon its disagreement to the amendments of the Senate Nos. 46 and 47 to the bill (H. R. 12280) to create Federal home-loan banks, to provide for the supervision thereof, and for other purposes.

Mr. NORBECK. Mr. President, again I remind the Senate of the fact that the Senate asked the last time for a conference, and the House paid no attention to it. I therefore move that the Senate insist upon its amendments.

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

The yeas and nays were ordered, and the legislative clerk proceeded to call the roll.

Mr. BULKLEY (when his name was called). I have a general pair with the junior Senator from Wyoming [Mr. CAREY]. I transfer that pair to the junior Senator from Kentucky [Mr. LOGAN] and vote "nay."

Mr. DAVIS (when his name was called). I have a general pair with the junior Senator from Kentucky [Mr. LOGAN], which I transfer to the junior Senator from Wyoming [Mr. CAREY], and vote "nay."

Mr. JONES (when his name was called). Making the same announcement with reference to my pair as heretofore, I vote "yea."

Mr. KING (when his name was called). I have a general pair with the junior Senator from New Mexico [Mr. CUTTING]. I transfer that pair to the senior Senator from Missouri [Mr. HAWES] and vote "yea."

Mr. McNARY (when his name was called). Again referring to my pair with the Senator from Mississippi [Mr. HARRISON], I withhold my vote.

Mr. SHORTRIDGE (when his name was called). Making the same announcement as to my general pair with the senior Senator from Montana [Mr. WALSH], I refrain from voting. If permitted to vote, I would vote "no."

Mr. STEIWER (when his name was called). With reference to my pair previously announced, I am now informed that the senior Senator from New Mexico [Mr. BRATTON] would, if present, vote as I shall vote, and therefore I am free to vote. I vote "yea."

Mr. THOMAS of Idaho (when his name was called). Making the same announcement as before, I vote "yea."

Mr. WATSON (when his name was called). I have a general pair with the senior Senator from South Carolina [Mr. SMITH]. On the home loan bank bill there is a special arrangement of pairs between the Senator from South Carolina [Mr. SMITH] and the Senator from Colorado [Mr. WATERMAN], and that leaves me free to vote. I vote "no."

The roll call was concluded.

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

The Senator from Minnesota [Mr. SHIPSTEAD] with the Senator from Wyoming [Mr. KENDRICK];

The Senator from Nevada [Mr. ODDIE] with the Senator from Arkansas [Mrs. CARAWAY];

The Senator from Maine [Mr. WHITE] with the Senator from Tennessee [Mr. HULL]; and

The Senator from Vermont [Mr. AUSTIN] with the Senator from South Carolina [Mr. BYRNES].

Mr. DALE. Referring to my pair, heretofore stated, I withhold my vote.

Mr. LA FOLLETTE. I wish again to announce the unavoidable absence of my colleague [Mr. BLAINE], and the fact that he is paired with the junior Senator from Kansas [Mr. McGILL].

The result was announced—yeas 37, nays 26, as follows:

YEAS—37

Ashurst	Costigan	La Follette	Sheppard
Bailey	Couzens	Lewis	Steiwer
Barkley	Fletcher	McKellar	Stephens
Black	Frazier	Morrison	Thomas, Idaho
Borah	Glass	Neely	Thomas, Okla.
Brookhart	Gore	Norbeck	Trammell
Bulow	Hayden	Norris	Walsh, Mass.
Capper	Howell	Nye	
Cohen	Jones	Pittman	
Connally	King	Robinson, Ark.	

NAYS—26

Barbour	Hastings	Moses	Tydings
Bingham	Hatfield	Patterson	Vandenberg
Bulkley	Hebert	Reed	Wagner
Davis	Johnson	Robinson, Ind.	Walcott
Dickinson	Kean	Schall	Watson
Goldsborough	Keyes	Smoot	
Hale	Metcalf	Townsend	

NOT VOTING—33

Austin	Copeland	Hull	Smith
Bankhead	Cutting	Kendrick	Swanson
Blaine	Dale	Logan	Walsh, Mont.
Bratton	Dill	Long	Waterman
Broussard	Fess	McGill	Wheeler
Byrnes	George	McNary	White
Caraway	Glenn	Oddie	
Carey	Harrison	Shipstead	
Coolidge	Hawes	Shortridge	

So Mr. NORBECK's motion that the Senate insist upon its amendments Nos. 46 and 47 was agreed to.

THESE ETERNAL CONTESTS

Mr. SCHALL. Mr. President, before final adjournment I would like to express my appreciation and gratitude to the Committee on Privileges and Elections, who to-day unanimously dismissed the complaint filed by Einar Hoidale seek-

ing to unseat me and seat himself. I feel that they leaned over backwards to be just to the gentleman who filed the complaint in giving him 45 days more in which to try to draw another complaint. If he could not draw a complaint in 18 months that would hold water, can he in 22 months?

The filing of this so-called contest 18 months after the election is, of course, on its face not regular. Neither is it regular that Einar Hoidale, seeking to fill my place, is at the same time a Democratic candidate to Congress for the House of Representatives in the coming election. Perhaps he "could be happy with either, were t'other dear charmer away." In order to thoroughly understand the why of these eternal contests it is necessary for one to get a glimpse of my whole political fight in the State of Minnesota.

Mr. President, I have always been a Republican—a Lincoln Republican, though. My father was a Lincoln Republican and fought under and voted for Lincoln. In 1912 I left the Republican Party to follow Theodore Roosevelt and HIRAM JOHNSON. They were my kind, and still are. This, of course, was sacrilegious to a certain element of Republicans.

In 1914 I had the audacity to run independently or on the Progressive ticket for Congress. There was no machinery by which to get on the Progressive ticket except by independent action, the signing of a petition by 500 voters who had not participated in the primary election. By this means I became a candidate for Congress in the tenth congressional district. My Republican opponent was slated as an undoubted winner by a large majority. The press of the State entirely ignored me. Not a Twin City daily paper printed my name. They did print the name of the Republican and Democratic candidates, and in one instance a Minneapolis paper went so far as to say there was also a Progressive running but the name was carefully omitted.

I had the names of a few Progressives in the different counties of the district. I wrote them and called upon them, asking them to get up a meeting, but they refused for one reason or another. I tried to hire halls for the purpose of speaking to the people of the district but found they were taken for the very time I wanted them, though afterwards it was brought to my attention that they were not.

Finally in desperation I decided that the only method I had of getting my cause before the people was to go directly to the voters. Nor could that be done in orthodox ways. No orthodox way was open to me. The sole alternative was to speak in the open.

At that time the candidate who did not "hire a hall" was in contempt of every conventional decency of politics. A farmers' picnic or a county fair was respectable, but for an office seeker to hold street meetings was not only undignified but degrading.

I knew the popular feeling, but it was that or defeat.

Just a little encouragement at that time, I believe, by some of the people who thought they were the powers that were and are and be might have dissuaded me not to run, but the treatment I received at that time so enraged me that I decided I would do what I could with the only means I had to force a show-down at any cost.

To me it seemed more than a matter of going to Congress. My self-respect was at stake.

I do not blame anybody for the failure to be active in my behalf. It was a peculiar situation in which there was little that any one could do. Without my speaking, the assistance of however many so-called leaders of their communities would not have carried me through. When I did adopt the method of street-corner speaking it negatived all that others might have attempted.

I made 237 speeches outdoors and, despite the betting of 20 to 1 against me, when the votes were counted it was found I had been elected by 1,407 votes. My friends all over the State, outside my district, and in other States wrote me, surprised I had been elected. They did not even know I was running. The newspapers announced that an unknown by the name of TOM SCHALL had been elected and explained that in the best of regulated politics these accidents sometimes happened.

It was the common people, the plain folks, the every-day men, who were responsible for my election. The rich, the powerful, the elite, the dainty had opposed me. I had won in spite of them. No one had a 5-cent piece invested in my congressional seat, no gang, clique, organization, man, or corporation had any strings on me. No maker of public men ever thought it possible for me to get to Congress in the first place, and so paid no attention to me.

My opponents were sure that my election was a mistake, which they could easily rectify in the next election, and that I had won through sympathy.

I thought then, and 18 years of congressional work have confirmed me in the idea, that Congress is not an eleemosynary institution and that the voters do not think of it in that light. I have never asked a vote through sympathy. I did not need it then, for I was making more money in the practice of law than the Government paid me as Congressman, and there has never been a time since that I could not have stepped out into the practice of law with more money as compensation than the salary of Congressman or Senator.

Thus through the providence of circumstances I came into Congress as a most independent Member, as my record will bear out.

I resolved then, and have through the many years of my service confirmed that resolution, that so long as I remained in Congress I should continue that independence with the light that God gives me to see the right, regardless of consequences as foreseen by the petty vision of selfish men.

I believed that if I were to be the instrument for further and higher service that I should in some way be given the sign, and the way provided for a part in that higher work, free and independent from selfish control or manipulation.

Gratitude alone, if nothing else, should prompt me to do my best to represent the ordinary folks. The tenth district was composed of seven rural counties and three wards of the city of Minneapolis. The three wards were labor wards; so if I were to truly represent my district, my study and effort should be to advance the cause of the worker and laborer, to put on a basis of equality with other industries the agricultural industry.

This I did so consistently that I have been able in every succeeding campaign, including my senatorial campaigns and up to date, to announce without fear of contradiction that my labor and farm record is 100 per cent.

In 1916 Roosevelt went back into the Republican Party and I tried to follow him but my filing in the primaries for a Republican nomination was refused and I was forced to again run independently. The people elected me by a plurality of better than 9,000.

In 1918 I was urged by my friends to become a candidate for the United States Senate. Opposition to the senior Senator Knute Nelson offered inducement if I would announce myself as a candidate for that high office. I had no idea of taking such a step, feeling sure that outside of the people of my district whom I had been able to reach by speech. I was little known, since the papers had kept me and anything I had done carefully repressed.

I wondered at the time why a delegation of Minneapolis men who I knew had vigorously opposed me during my last two elections had come all the way to Washington and seemed suddenly so friendly.

They avowed that I had made good and that they never understood me before, and they wanted to see me back in the Republican Party, where I belonged.

I retorted that I would not be allowed to file on the Republican ticket, for the same situation existed now as two years ago, and if there was any foundation to the refusal to let me file two years ago it was certainly of the same vital effect to-day.

They thought the secretary of state could be persuaded to accept my filing. I reminded them that the supreme court would have thrown me out had I insisted on filing on the Republican ticket two years ago. They opined it could all be ironed out satisfactorily.

I can see now what I could not believe then, that they were determined to keep me from filing for the United States

Senate by making the path so smooth and straight for the regular Republican nomination to Congress that the line of least resistance would naturally lead me to accept that nomination.

I offered my filing. I found with no little surprise it was accepted with alacrity. My Republican opponent, whom they evidently had not taken into their confidence, frothed at the mouth.

Believing that he knew something of the attitude of the supreme court, he immediately proceeded to have them erase my name as a Republican candidate. But "the best-laid schemes o' mice and men gang aft agley," and behold, the supreme court decided that I was a Republican, giving me the distinction and honor of being the only Republican in the State to date vouched for as such by the highest law-giving power of that State. I doubt if any Senator here can show better credentials of Republicanism.

Had I been defeated in the primaries for the nomination, under our law, I could not have filed independently for that same office, but I would not have been prevented from filing independently for the United States Senate. It was necessary in order to block my being a candidate for the United States Senate to see to it that I secured that Republican nomination for Congress in the tenth district, which I did almost unanimously. I was elected by a majority of over 26,000.

In the next two campaigns I was not only personally a Republican, but nominated and elected as a Republican.

My majority was more than 42,000 in 1920, and in 1922 it was above 50,000. These last two elections were after the women had been given the suffrage. That I held the respect and confidence of the Members of the House is evidenced in that they placed me on the Rules Committee, where I served for 8 of my 10 years in the House. This committee is the most powerful committee in the House, being the nozzle through which all legislation must get to the floor.

One vital lesson I had learned, that politicians and newspapers were not absolutely necessary to a continuance in office, and that attitude expressed by voice and vote in the House was the constant cause for predatory interests seeking, by fair or foul means—mostly foul—my defeat.

Every Congressman looks longingly toward "the other end of the Capitol." Twenty-five of you have been successful. Such an ambition is natural. But my trip to the trenches in 1918 also had something to do with my seeking a Senate seat in 1924.

What I sensed while abroad crystallized into a firm conviction that it would do our country irreparable harm for us to mingle at all intimately in European affairs. Europe was not American nor ready for Americanism.

Subsequently I saw our international influence taking forms which, it seemed to me, were mightily dangerous. This danger has been completely demonstrated through facts oozing into light since the war, and accounts for our present depression. The League of Nations covenant had been overwhelmingly defeated by a vote of the people, but the tendency on the part of administrations still appeared to favor that intertangling alliance. The Great War had left a big brood of such new issues.

There are only 96 Senators. As one of them I could at least do my mite in this troubled field.

The personal advantages of a Senatorship were obvious.

Its prestige was greater; it was for a 6-year term—a most important consideration, because then one would not be compelled to give so much time to campaigning that should be devoted to public work, and its traditional freedom of debate permitted no gagging when duty prompted one to speak.

It was the highest office in the gift of a State.

Senators and governors are generally the result of much consultation with and among the powers that be.

I have never asked anybody if I might do this or that. All of my elections have been like elopements—without "parental consent"—or forgiveness, afterwards.

Minnesota is not different from many other Commonwealths in that she has political powers that should be consulted if one wishes to choose the easy way.

Had the nomination for Senator depended upon the convention method, as manipulated in Minnesota to-day for the purpose of electing delegates to national conventions, I doubt if I could have gathered a hundred delegates who would have favored me.

Our primary system, while not eliminating the influence of professional politicians, does operate to prevent their absolute dominance and this dominance would be still less if the voter in the primary would be given one ballot containing the candidates of all the different parties.

With the discovery that I was ahead for the Republican nomination in 1924 there began a series of attacks upon me, which still continue, of the type with which special interests have too often made the shame of our national politics. I won the nomination and the election in the orderly way legally prescribed for political parties and the people to make their choice. Then followed five other combats with forces determined that I should not be a United States Senator.

This persecution is still prevalent, as evidenced by the contest which has just been dismissed. It left me so broken that normal strength and spirit have but recently returned. Mrs. Schall, too, suffered the same crushing injustice of it all.

First was the attempt to deprive me of the Republican nomination to the Senate in 1924. I could recite many instances of high-handed piracy, but the final incident of that primary will suffice to tell the story. If I had not discovered it, I would have lost by 300 votes. One thousand eight hundred and three votes had been withheld from me. After forcing a correction, the result was 1,500 in my favor.

Second, a contest was instituted to deprive me of the nomination. It was the expectation of my predatory-interest opponents not that they could discredit the nomination but that, by involving the issue in a judicial tangle, I might be weakened for the election.

All their charges were so obviously false that the court ordered a dismissal.

I well understood how desperate would be the contest for election. There were several vital elements in the situation each of which seemed determinative, and all against me.

To have won the Republican nomination did not mean the support of the self-appointed pseudo-Republican dominant in that organization. Those in control of the party machinery were my enemies. I did not play the game according to their code. They desired my defeat, and that it should be so decisive that I would never again be in their way.

The Farmer-Labor forces were then at the crest of their political popularity. They already had the other Minnesota senatorship, in the person of Dr. HENRIK SHIPSTEAD. Their candidate against me was Magnus Johnson, who also enjoyed the prestige of a senatorship. In the previous special election to choose a successor to the late Knute Nelson, Mr. Johnson had won an easy victory, beating with the underground aid of the old Republican machine a very popular governor, J. A. O. Preus, the Republican, by somewhere around 100,000.

Magnus Johnson was a picturesque character. During his stay in the Senate he was given more publicity, perhaps, than ever came to such a public official in this generation. The papers of State and Nation overflowed with personal references to him.

The attitude of almost the entire press toward me, on the other hand, was, as it had always been, one of silence or slander.

A study of the primary result revealed that there was an overwhelming support wherever I was acquainted. I won the nomination because of my own district and the city of Minneapolis, the two congressional districts that knew me most intimately. Also it was apparent that the few places

where I was able to speak in the primary campaign had returned substantial pluralities.

Obviously it was necessary to speak, speak, speak.

That had won for me; it was the only conceivable way to win this larger opportunity for public service.

In this senatorial campaign between the primary and the election I made 278 speeches, 248 in the country and 30 in the cities.

Mrs. Schall was with me. She drove our car all over the State. She kept a map of Minnesota and everywhere we spoke she would set down a cross. It was curious to see what a slight impression these 248 crosses made upon that great State, and yet when the returns came in it was these crossed places that gave me such an overwhelming vote that, if I had not had them, I would have been defeated. I carried my own county, Hennepin, by over 40,000. I carried only 17 counties out of the 87.

During the last two weeks, the most strenuous of all, I spoke with a fever that some days reached 104.

Then, for 48 hours, I watched the doubtful returns coming in. When my election was assured the illness took command. I went to bed. For months I was under a doctor's care.

I have never had money with which to fight my campaigns. I have fought them on the street corners and I have used my blood instead of money to win them. You would naturally think, Mr. President, that men with just a pinch of sportsmanship, just a little red blood in their veins would say, "Well, here is a clean square fighter; he has gone out and beaten us, despite our manipulations and conniving; let us at least acknowledge him; let us fight him to the last ditch but when he has been declared a victor by the undisputed votes of the sovereign people, let us not condemn him and soil our hands with mud and our lips with dirty lies and perjury." Anything to beat TOM SCHALL! Why? Because he has been independent, irrespective of what they would like to have him say or do.

The next two years were so terrible that I thought more than once that the readjustment to blindness would be a preferable personal tragedy.

In an undoubted legal way, the sovereign people had nominated and elected me to the Senate. My political enemies had already attempted twice to nullify the result of that primary. Now I had to face, not one, but three attacks upon the validity of my election.

It seems incredible that these shrewd men should have believed it possible to substantiate the various charges against me. Perhaps they only thought to break my spirit. More probably they had in mind the election of 1930, when they again made desperate attempts to defeat me, and nearly two years after election filed another smear contest, which the Privileges and Elections Committee has to-day unanimously dismissed. These constant contests, however baseless, require time, energy, and attention that should be directed into needed and useful channels. The same predatory interests are back of this contest as were back of the 1924 contest, though this time their solicitations are couched in the name of a so-called Democrat, Einar Hoidale, but the actual force is reactionary predatory interested pseudo-Republicanism.

The first of these three attacks in 1924 was an investigation, by the Hennepin County grand jury, of my election in Minneapolis, conducted by Floyd Olson, county attorney, who had been a candidate for governor on the same ticket with Senator Johnson. After exhaustive hearings no ground for action could be found.

The second was a contest before the Senate. That dragged through many months. The subcommittee conducting the inquiry reported a complete exoneration of me. Senator NEELY was the Democratic member of that subcommittee, and I cite him as Exhibit 1 to anyone of you Senators who may be casually interested to know what a farce it was. The whole Committee on Privileges and Elections approved that verdict. Later the Senate of the United States voted unanimously to dismiss the contest in the following words:

(1) The evidence does not show that any violators of the liquor laws were induced to contribute money or did contribute any money for the expense of contestee's campaign for election or that the contestee received or expended any such funds.

(2) There was no testimony offered to show that contestee expended any money during his campaign for election as United States Senator or in the primary which preceded it. There was no testimony to show that contestee received any money during the campaign preceding the election of November 4, 1924, or at the primary immediately before it.

Certainly this should have ended the persecution, but there followed a third attack.

During my 10 years in the House my record had been 100 per cent for the common folks. I had been a Theodore Roosevelt Republican, which did not cause them to look upon me kindly, but over and above that I had been instrumental while in the House in making certain water-power interests who have for many years dominated Minnesota politics pay back taxes to an amount of over $3,000,000, and I had also been instrumental in blocking water-site grabs in my State.

It was necessary for these business interests, as they saw it, to get me out of the United States Senate. If there be any doubt of the character of the attacks made, I refer you to recent disclosures before the Federal Trade Commission in reference to the length to which these utility companies will go in eliminating any person or anything or even a thought that gets in their way; where they secured professors to give their lectures in the schools and preachers in their pulpits, bought and controlled newspapers and even printed the very texts of the schoolbooks, and spent huge sums of money in devious and unfair methods to accomplish their end at any cost. These interests were in control of the State administration, and therefore it was an easy matter for them to secure in the State senate the passage of a resolution for another smear investigation.

It mattered not that the investigation was res adjudicata by the United States Senate, that the village of Mud Lake had as much right to investigate my election as the Minnesota State Senate did. The plan was to smear me and everything was greased and in readiness to do the job thoroughly through reports of the hearings through the newspapers.

In those proceedings the real truth of the conspiracy came to light. Again I was vindicated—by the unanimous vote of the Minnesota Senate.

The conspiracy was completely shown up through one of their own witnesses who became so ill that he thought he was going to die and who had called in the priest and taken the last sacrament and made a confession. He was advised by Father Gagne, of Minneapolis, to go on the witness stand and tell the whole truth. He testified that $30,000 had been offered him to get me and that he and his associates had figured out just what they were to say and wrote it down so they could all have the same story. The witness produced the document which fatally coincided with the previous testimony. This testimony completely frustrated the plans for my destruction, and the committee especially selected "to get my political hide" were forced to make a report exonerating me. This report was unanimously approved by the entire State senate in April, 1927.

But the ambush against me was to go on. These forces prevailed upon the governor, Mr. Theodore Christianson, whom I had helped to elect in 1924 not to become a candidate for the United States Senate in 1928, pointing out how easy it would be to take me in 1930. They argued that the tremendous machine he had already built up through his appointive power would be only augmented by another two years in the governor's chair. With this great political machine of better than 10,000 personnel, nearly all the newspapers in the State, together with the public utility money power back of them, there would be no doubt of the outcome. It was plainly evident that he had been built up with the one object of defeating me. The "fine Italian hand" of all the special interests I had fought in the House and Senate was at work. My destruction must be made sure. Their slogan was: We must beat him now or we never can. The present dismissed complaint brought by

their man, Einar Hoidale, is the unsportsmanlike echo of that slogan.

The politicians and enemy newspapers were confident of victory, but to their dismay, when the votes were counted, I had been nominated on the Republican ticket by approximately 100,000. There was great newspaper display and chattering of controlled politicians that the governor was immediately going to file a contest. The obvious intent was that such announcements would help to smear and weaken me in the coming election, and furnish a flimsy excuse for the governor's contemplated action. My decisive victory should have satisfied any honest, sportsmanlike man or woman. But the soulless forces directing the opposition were only stimulated to more and more outlay, reports carry it to $2,000,000, to defeat me in the election. They had induced my late opponent, our Republican governor, Mr. Theodore Christianson, to support the Democratic candidate. They hoped that with him and the same opposition I had had in the primary, they would leave only as a glaring example of me, my political demise.

It seemed almost anomalous to me that such a large group of old guard Republicans could actually and openly support the Democrat, Mr. Einar Hoidale, in face of the fact that I had supported the Republican Party in prior elections, had supported Harding, Coolidge, and Hoover, and Coolidge had stated on various occasions to different people of Minnesota that I had done more than any other man in carrying Minnesota for him in 1924.

A prominent northwest Republican newspaper, the Minneapolis Journal, Wall Street's mouthpiece, which admits its high moral standard, led the goosestep procession of city and village Republican papers, about 600 in all, into the fold for my Democratic opponent, Mr. Einar Hoidale, who was attorney for Governor Christianson's friend and appointee as chairman to the securities commission, Mr. Nelson, when he was tried in the United States court and sentenced to 20 years in Leavenworth for his actions as a member of the governor's securities commission. Christianson and Hoidale are as like as two peas in a pod. One had labeled himself Republican, the other Democrat, and both are now candidates for Congress. One is tall, fat, and sleek; the other tall, thin, and cadaverous; but both are willing boys, both highly resourceful, both politicians of the same pod, and their political nourishment comes from the same root. All but 17 papers were counted among those who followed the Minneapolis Journal, whose unholy leadership against me only succeeded in defeating the Republican candidate for governor. The pseudo-Republicans were sorry that they had won. The Democrats were sorry they had lost.

The deadly sort of campaign carried on against me can be shown in this one illustration of which there were many. The Minneapolis Journal just before the fall election published a full page of absences showing me absent from the Finance Committee, of which I had never been a member, when they had the agricultural schedule in the tariff bill before them. The same absence mark could be set down against any of you Senators who are not members of that committee. This was the kind of untruths with which they counteracted my real record. Seeing the complete record of absences before him and not knowing the extent to which my enemy newspapers would stoop in their effort to destroy me politically, any voter not realizing the motives of this great moral newspaper might be bewildered. This sheet of the Minneapolis Journal was sent to the newspapers of the State as an extra sheet to be delivered with their paper at the expense of Uncle Sam's mail, for these papers are sent free through the mails to any subscriber in the county in which they are published.

Senatorial requirements called me back to Washington after the primary election, and while there news came to me from all sides that I was being marked for slaughter. My friends remonstrated with me for not doing something about all this Republican undercurrent against me, but unfortunately, for one who does not possess the necessary money and facility for publicity, this is not an easy matter to accomplish within the short time remaining before election.

As fall approached I made arrangements to come back to Minnesota and just as I had arrived word reached me from Washington that my son, Douglas, had met with a serious accident. Political capital was made out of this tragedy in prominent editorials in a manner which the Minneapolis Tribune said editorially had never been duplicated for sheer savagery.

To quote the Minneapolis Tribune for October 14, 1930:

> The Dawson Sentinel, published and formerly edited by Governor Christianson, has for many years had a quasi-administration prestige among Republican weeklies throughout the State.
>
> Naturally the nomination of Senator SCHALL over the governor by some 97,000 votes in the last primary gave the Dawson Sentinel no pleasure whatever. Since then it has been one of the most enthusiastic followers of the Journal in the interests of "clean politics," which is to secure its victory by the election of the Democratic candidate for the United States Senate. Animated solely by its idealistic yearning for "clean politics," the Dawson Sentinel had the following to say editorially:
>
> "And now SCHALL's son smashes his car into an oil truck at Washington. We expected something like that to happen about the time SCHALL reached Minnesota. The 'Poor Blind Tom' racket is about worn out. A new sympathy gag must be played. But it won't work. He has fooled the people before, but he can not continually fool them, as he shall find out on November 4."
>
> For sheer savagery we don't know of anything in the annals of "clean politics" that exceeds this. Even the desired end of "clean politics" hardly justifies accusing a candidate of deliberately having his son's arm and leg broken for political purposes and gloating over a "new sympathy gag."

The brutality of the editorial about my son can best be described by saying that he is still, 22 months after the accident, practically bedridden from it.

These influences were so strong and so subtle that they even bored their way into the very committee chosen by all of us on the Republican State ticket to conduct our campaign.

As a result, 10 days before election many county chairmen all over the State and their appointed precinct captains came out openly for my Democratic opponent, Mr. Hoidale. My picture and any reference to me was carefully left off the literature circulated. They were cognizant of my lack of means with which to counteract this last-minute grand double-cross. But they had overlooked the radio; I had not.

With the use of the radio and the help of loyal friends we carried on the battle as best we could and finally election day overtook us, when every candidate had to rest his case in the hands of the Minnesota voter. I constantly prayed God to help me in this unequal fight. With God in your heart, no amount of injustice, slander, and false representation can break your spirit.

Little did I know that on that election day my political foes had 250 men in St. Paul transported from precinct to precinct, about a hundred in all, to vote, where they had arranged for registration in advance. My habitual enemy, the Minneapolis Journal, on election night at 20 minutes to 8, 20 minutes before the ballot boxes were opened, announced in an election extra that my Democratic opponent had a 20,000 lead over me in Minneapolis.

Early election returns from the Twin Cities bore out this fact as truly as if the Journal had had access to the report of the election returns even before the time prescribed by law for the ballot boxes to be opened and counted.

Some precincts showed more votes than there were voters registered. When the final returns were all in the vote showed the people of Minnesota had again conclusively elected me United States Senator. So conclusively that even Governor Christianson, however much he hated to do it, was compelled to indorse my certificate of election.

A candidate for another office in the same election had a recount of the ballots in Hennepin County wherein, out of curiosity, the senatorial vote was checked. It was found in 7 wards out of 13 in Minneapolis that I had received less than one-third of the ballots cast for me. My votes had been miscalled for my opponent. To illustrate: A precinct in the first ward gave me credit for 35 votes and the actual count should have been 102 votes. A precinct in the seventh ward gave me credit for 37 votes. The actual count should have been 153 votes. But despite the miscalled and misre-

corded votes, my vote was so overwhelming in the rural district that I won.

In their efforts to defame my character they have filed this contest—another fake contest, which has been dismissed, as the other contest was dismissed, by the man who was not only my opponent and seeks by this contest to displace me but who is a candidate on the Democratic ticket for Congress in the House at this very time. Which place do his mentors or controllers really want him to have?

This contest was filed for the purpose of injuring my standing as a Senator and my influence in behalf of my constituents. They well know there is not one scintilla of truth to support their slanderous allegations. They complain that I violated the corrupt practices act of Minnesota, yet this very act under which they are making complaint stipulates that their complaint should be filed within 30 days. They file their contest, not in the courts of Minnesota where it is specified it should be filed, but here in Washington, 18 months after election, not for the purpose of a real contest but for the purpose of the newspapers and the smear it was thought it would give me. The complaint is only a duplicate of the complaint that was filed against me in the 1924 election, with variations of names and dates, and the forces back of it are the same. The people all over the State have been bunked by their racketeering for money, using this pretended contest as a stalking vehicle, and some action had to be taken to satisfy them. For instance, they had a letter sent out all over the State stating former Senator James Reed was going to conduct the contest against me. When Senator Reed saw this letter he immediately wrote the committee sending it out a complete repudiation of their statement.

In short, the contest amounts to this: That Mr. Hoidale, on account of the things that he pretends to have imagined about me—because he does not claim in his oath to have actually received any information at all to justify what he has imagined—he asks the Senate of the United States to expel me and seat him. He asks this body to consider as true the things he pretends he has imagined, to conduct an inquiry as to whether or not his conclusions about which he has no knowledge are true.

Mr. Hoidale is a lawyer and three other lawyers sign his petition. They must know and do know that such a pleading is not good in any court of the land. This petition was written for the newspapers and copies sent to the newspapers weeks before it was filed in the Senate. This is a belated petition sworn to 17 months and filed 18 months after the election of 1930, in substance explaining to the United States Senate that one Einar Hoidale, the defeated candidate against me, has been unable to find any evidence against me but that he has concluded that the Senate might be able, if it would only undertake the job, to find evidence against me that would cause that body to expel me. People who have fixed opinions without any evidence to justify them are insane.

Immediately after the election returns were in, the State central Democratic committee, at the request of poor loser Mr. Hoidale, having found his marked deck did not do the job, appointed a committee to thoroughly investigate if there was any excuse or chance of bringing a contest. That committee reported unanimously that there was not. Yet Mr. Hoidale requests the Senate to spend $50,000 to seat him in my place by conducting a silly, fishing investigation. Knowing he has furnished no facts for them to go on and realizing that the Senate will not be fooled twice in the same place, he is meanwhile running for a seat in the House of Representatives vociferously advocating reduction of Federal expenditures.

The private wrong to me only points the public menace. It has a meaning, I believe, which goes deeply into matters of the greatest public consequence. In politics, I made my own decisions, particularly with respect to running for office. That is the unforgivable affront to the powers that be. As to a Senatorship, certainly they should have been consulted. My continued persecution is a punishment for independence. They will not tolerate my disposition to regard the most desirable public positions as in no way at their disposal. They can not adjust themselves to the idea that a blind man, without money, without organization, without newspapers, without any of the apparent requisities should have captured and held this most desirable office of the State when scores of "worthy" men, anxious to propitiate the powers that be, are among the wishful brethren.

I can not believe that my enemies do feel toward me individually as their conduct would indicate. I think rather, that they are the pawns of a ruthless and remorseless system. That system is what all Americans should most thoughtfully consider.

It is this kind of unequal strife that is breaking down the hope in the rising generation that any youth can become President or fill high public office. The system must be broken or Federal office will continue largely a matter of bestowal by the few who finance or otherwise control "party machines."

I ask that there be printed in the RECORD the letter from the Senator from California [Mr. SHORTRIDGE].

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

JULY 16, 1932.

IN THE MATTER OF THE PETITION OF EINAR HOIDALE CONTESTING THE ELECTION OF THOMAS D. SCHALL AS A SENATOR FROM THE STATE OF MINNESOTA

The Committee on Privileges and Elections of the Senate, to whom was referred the above petition, have considered the same, as well as the reply, in the nature of a demurrer, filed by said SCHALL, and have reached the conclusion that said reply should be sustained and that said petition should be dismissed; and said reply in the nature of a demurrer is hereby sustained and said petition is hereby dismissed, unless the petitioner shall on or before the 1st day of September, 1932, file with the committee an amended petition and make more specific his allegations with respect to contributions received by said SCHALL, by whom said contributions were made, and the amount or amounts thereof; also set forth the several items of expenditures made by said SCHALL and not reported by him, to whom payments were made, and for what purpose; also set forth the names of the particular postmasters to whom promises were made and from whom contributions were received as a condition of support for appointment to or retention in office.

For the committee:

SAMUEL M. SHORTRIDGE, *Chairman.*

FAIR TRADE BILL

Mr. CAPPER. Mr. President, I ask unanimous consent to have printed in the RECORD an editorial from the Christian Science Monitor on the fair trade bill.

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

PRICE CUTTING OR PRICE CONTROL?

One of the most intricate puzzles of economic reasoning that confronts Congress is the one involved in the Capper-Kelly bill, which proposes to empower manufacturers in competitive lines to control by contract the retail price at which their goods are sold.

Advocates of the measure—and according to Representative CLYDE KELLY they include independent retail merchants as well as manufacturers—declare it is necessary in order to prevent what they call predatory price cutting. This consists of selling a standard article at a reduced price, perhaps even below cost, in order to give the customer a possibly fictitious impression that he is making a similar saving on other goods he is thus induced to buy. A manufacturer who has built up a reputation for his product and a loyal organization of dealers at an established price has some grounds for complaint when a price cutter thus undermines the public estimation of the value of his goods.

Objections to the price control bill—and they have been vigorously voiced—are along the line that it would stifle competition and tend to increase prices. True, a retail price governed by the manufacturer would remove the possibility of price competition between dealers handling the same article. But it is hardly to be supposed that all manufacturers without exception would launch their own trade-marked, advertised, and price-stamped brands. A considerable portion of industry probably would continue content to concern itself only with the wholesale price. This section of manufacture would form an adequate source of supply for retailers who wished to challenge the fixed-price brands.

Hence, the assumption that the price control bill would allow manufacturers to charge the consuming public practically whatever they wished seems rather far-fetched. It overlooks the fact that the competition most effective in the interests of the consumer to-day is not merely competition between dealers, but also competition between substitute commodities and services. There is, to be sure, a serious contingency to be considered if to this price-control contract there should be added some permission for price control by trade associations; but that is a bridge to be crossed when the question of antitrust law revision is reached.

On the contention that unjustifiable prices sometimes are built up by high-pressure advertising and that a familiar name does not always assure the best quality, a representative of Consumers' Research (Inc.), of New York, gave telling testimony at a hearing in Washington recently. Such organizations as this, a testing bureau maintained by consumer subscribers, offer a most effective method of holding advertising abuses in check.

Some have urged that if price control is to be permitted, the Government should exercise some authority over the prices. Better, however, would be some agency, either governmental or cooperative, that would provide standards and reports by which consumers might judge for themselves the relative value of branded and unbranded goods.

With some such safeguards, it would seem not unreasonable to give the small or medium sized manufacturer the prerogative he had prior to a Supreme Court decision in 1911, and which the largest manufacturers in some lines now enjoy by means of agency contracts or sales on consignment which retain title to the goods until they are bought by the consumer.

INTERRELATIONSHIP OF AGRICULTURE AND INDUSTRY

Mr. CAPPER and Mr. NORRIS addressed the Chair.

The PRESIDING OFFICER (Mr. KEAN in the chair). The Senator from Kansas.

Mr. CAPPER. Mr. President, I ask unanimous consent to have printed in the RECORD an article by Henry Ford on the interrelationship of agriculture and industry. The article was printed in a recent issue of Michigan Farmer.

In this instance it seems to me Mr. Ford has grasped and enunciated some fundamental principles of economics. He may not have worked out the solution of our present economic maladjustment in the program he suggests, but what he says is well worth the careful consideration of the Senate and the country.

I hope every Senator will read this article. It seems to me to be very much worth while. I congratulate Mr. Ford on his grasp of the weakness of our monetary system; also on his realization of the important part that chemistry can play in developing a balanced economic system in this country.

I send the article to the desk for printing in the RECORD.

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

HENRY FORD ON FARM AND FACTORY

Danger to our country is to be apprehended not so much from the influence of new things as from our forgetting the value of old things. At present, much that is blamed on the new thing—the machine—should perhaps be blamed on our forgetting what we had before the machine came, namely, the land. The two belong together; they can not live apart; there is no antagonism between them; they must be reunited.

I do not look for less but more use of machinery. If the world is to have even a minimum supply of goods, it must utilize the machine. The people will never willingly forego the help which the machine gives them in their work.

Besides, machinery makes more jobs. It enables every one to enjoy inexpensively the comforts and conveniences of modern living conditions. As for overproduction, we have never yet had a sufficient production of all the things which the family needs. It would be splendid if the world should seriously attempt to overproduce everything that everybody needs! We should then discover that our present machine facilities could not even catch up with the need. Give the world a money system that makes it easier for goods to flow from man to man, and all the factories on earth could not begin to supply a tenth of the demand.

But it is possible to expect of the machine more than it can do. We can not eat or wear machines. If the world were one vast machine shop, it would die. When it comes to sustaining life, we go to the fields. The machine may help us plant, cultivate, harvest, grind, and bake the grain for bread. The machine may weave and cut and sew for clothing. The machine may transport these necessities for our use. In doing so, it serves in partnership with the land. And it is that relation and balance which I am urging upon our people to-day.

Ten years ago we started seven village industries on small water-power sites, all within 20 miles of Dearborn, our purpose being to combine the advantages of city wages with country living. The experiment has been a continuous success. Overhead cost has been less than that in the big factory, and the workers will not hear of going back to the city shops. As they are free to till land in the growing season, throughout these trying times, they have all remained self-sustaining. Their security is produced by machine and farm, not by one alone.

While this experiment has fully justified itself, I have felt that it is only a step in the right direction. Excellent as village industries are, they do not really bring industry and agriculture together. For a long time now I have believed that industry and agriculture are natural partners and that they should begin to recognize and practice their partnership. Each of them is suffering from ailments which the other can cure. Agriculture needs a wider and steadier market; industrial workers need more and steadier jobs. Can each be made to supply what the other needs? I think so.

The link between is chemistry. In the vicinity of Dearborn we are farming 20,000 acres for everything from sunflowers to soybeans. We pass the crops through our laboratory to learn how they may be used in the manufacture of motor cars, and thus provide an industrial market for the farmers' products. I foresee the time when industry shall no longer denude the forests which require generations to mature, nor use up the mines which were ages in the making, but shall draw its raw material largely from the annual produce of the fields. The dinner table of the world is not a sufficient outlet for the farmers' products; there must be found a wider market if agriculture is to be all that it is competent to become. And where is that market to be found if not in industry?

I am convinced that we shall be able to get out of yearly crops most of the basic materials which we now get from forest and mine. That is to say, we shall grow annually many if not most of the substances needed in manufacturing. When that day comes, and it is surely on the way, the farmer will not lack a market and the worker will not lack a job. More people will live in the country. The present unnatural condition will be naturally balanced again. Our foundations will be once more securely laid in the land.

The day of small industry near the farm will return, because much of the material grown for industry can be given its first processing by the men who raised it. The master farmer will become, as he was in former years, master of a form of industry besides.

An old Roman said that corn was never so plentiful in Rome as when the men who ruled the state were those who also tilled the fields. It will be so with our people when those who fabricate the utilities of the world are those who raise the raw material from the fields.

One thing is certain—we must go on—present conditions can not be stabilized—life goes on. I suppose that in 1632 there were people who urged that the world had gone far enough and that it should be halted and hardened into the pattern of 1632. And again in 1732, others thought that a line should be drawn and conditions stabilized. In 1832 the same proposal—it is always made—every generation makes it. Suppose the world had halted at any of those dates! Are we to declare that 1932 is the date at which development must cease and the world be stabilized just as it is? It can not be done. Life would burst any barriers we might raise against its on-going. We do not yet control all the materials out of which to assemble a world that is worthy to endure unchanged. Our times are primitive. True progress is yet to come. The industrial age has scarcely dawned as yet; we see only its first crude beginnings. We are pioneers, and pioneering has its hardships. This generation is composed of economic pilgrims, passing out of less desirable conditions into what we hope shall be more desirable ones. That is the meaning of these times. We are not going back, and false prosperity is not soon coming back. It would be well to interpret present conditions in this light and help each other in the good old pioneer way, as we pass through them. We are going to renew our stake in the land; for the land is the foundation of the economic security which we seek.

We are still in the early stage of world making. To stabilize conditions at a given point or to reject progress because it brings problems with it, is impossible. We need to plan how to pass through necessary changes with the least human hardship. Economic changes must come and it is possible for men to be in a position to welcome rather than dread them. With factory and farm as partners, with one foot on the soil and one foot planted on industry, we should be in a position to hail the new epoch without fear. The land would protect us from needless anxiety.

Mr. KING and Mr. NORRIS addressed the Chair.

The PRESIDING OFFICER. The Senator from Utah.

Mr. NORRIS. Mr. President, it seems to me I am entitled to recognition. I addressed the Chair before the Senator from Kansas did.

The PRESIDING OFFICER. The Chair recognized the Senator from Kansas.

Mr. NORRIS. I have no objection to that. I am not finding fault with that. When he got through, however, I thought I should have been recognized.

The PRESIDING OFFICER. The Senator from Kansas was first on his feet. Now, the Chair recognizes the Senator from Nebraska.

Mr. NORRIS. I thank the Chair very sincerely.

PERSONAL STATEMENT BY SENATOR SCHALL

Mr. KING. Mr. President, will the Senator from Nebraska permit me to make an observation in connection with the case just referred to by the Senator from Minnesota as a member of the committee?

Mr. NORRIS. Yes.

Mr. KING. I thank the Senator.

Mr. NORRIS. I hope the Senator will not take up very much time.

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

Mr. KING. I hope the Senator will permit me to proceed at this time, as I am using the time of the Senator from Nebraska.

Mr. WAGNER. I merely want to offer an amendment; that is all.

The PRESIDING OFFICER. The Senator from Nebraska has the floor. Does he yield?

Mr. NORRIS. I yield to the Senator from Utah.

Mr. KING. Mr. President, as the ranking Democratic member of the Committee on Privileges and Elections, which committee has just been referred to by the Senator from Minnesota, I desire to state that the committee appointed a subcommittee, of which I was a member. The subcommittee considered the petition filed by Mr. Hoidale, and the demurrer or reply submitted by the Senator from Minnesota [Mr. SCHALL].

The subcommittee considered the pleadings and reported to the full committee, which, after considering the pleadings, reached the conclusion that the allegations that may be regarded as material were too general in character to call for further proceedings, and dismissed the petition filed by Mr. Hoidale, but permission was granted to file an amended petition within a fixed period.

If no amended petition is filed, the committee, when it meets in December, will submit a final report upon the contest. No intermediate report will be filed.

Permit me further to state that there was no partisan discussion in the committee, and the action taken by the full committee was unanimous.

PROHIBITION—CONSTITUTIONAL AMENDMENT

Mr. NORRIS. Mr. President, I think the Senators who desired to talk have all had ample time to say what they wanted to say. I am going to speak for only a few minutes.

I think it has been demonstrated by what Senators have said that the pending joint resolution proposing an amendment to the Constitution, together with the substitute offered by the Senator from Connecticut [Mr. BINGHAM], ought to be referred to a committee. The proper committee to which all such amendments are referred is the Judiciary Committee. I am not particular about it, however. If Senators would rather some other committee would have it, I shall offer no objection whatever.

But, Mr. President, I want to call attention to the fact that I think this is the first time in the history of the United States when it has been proposed to amend the Constitution of the United States without referring the resolution to a committee. If any member of the committee knows of an instance where such a thing occurred and we took it up practically by unanimous consent, I should like to have him interrupt me and tell me when it happened.

I am very much grieved at this terrible development of radicalism in the Senate of the United States. Here we have by a vote of 37 to 21 taken up for consideration an amendment to the Constitution of the United States that never has received the consideration of a committee of this body. That can not be accounted for in any other way than that this terrible idea of radicalism has taken possession of men and men's souls. In this august Chamber, where I have so often heard the Constitution defended by the very men who now want to change it by unanimous consent, I am dumbfounded that such a thing could occur, and I am raising my voice now in the hope that I may bring back my colleagues to a little more of a conservative idea of what should be done when we try to amend the Constitution of the United States.

Why, Mr. President, if it had been suggested by the Senator from Idaho [Mr. BORAH] or by the Senator from North Dakota [Mr. NYE] or by any of those other fellows who used to be called radicals that we should amend the Constitution of the United States by unanimous consent, the Senator from Connecticut [Mr. BINGHAM] would have had a fit; and he would have had it without any beer, too. [Laughter.]

Now we see the conservative element turning to radicalism. They control the Senate 37 to 21; and the poor conservatives like myself are in a minority, getting smaller and smaller all the time, while this rage of radicalism is growing and growing and growing. It has taken possession of the two great political parties; and for the first time in the history of the world, when two parties have passed resolutions on a certain subject, it is suggested that in order to carry out the commands of those political parties we must obey the mandate by unanimous consent.

I wonder how many Democrats, looking over the history of their country in the various campaigns they have had, where they have made pledges and have been successful in the election, when they undertook to carry out the pledges that they had made, ever heard of an attempt being made to do it by unanimous consent.

When all the reforms that the Democrats like to talk about occurred in the reign of President Wilson, when you made certain promises as to what you would do if you were put into power, and you proceeded to carry out some of your pledges and boasted about it, can a Democrat point to a single one of them that was carried out by unanimous consent? Was it not always true that those bills were referred to a committee?

Take the Federal reserve act, for instance—one of the pledges in the Democratic campaign when Woodrow Wilson was elected. When the Senator who now wants to amend the Constitution by unanimous consent was chairman of the Banking and Currency Committee, did he try to do it by unanimous consent? He was a conservative then. He did not try to do it. Did anybody try it here with the great ex-Senator from Oklahoma, Mr. Owen, who was then chairman of the Banking and Currency Committee of the Senate? Did he try it? It never occurred to him. It never was suggested by anybody; but they introduced the bill. It went to the committee; first to the committee of the House of which the Senator from Virginia [Mr. GLASS] was the able chairman. Then when it came to the Senate it went to the Banking and Currency Committee presided over by Senator Owen, and after weeks of consideration and hearings, both in the House committee and in the Senate committee, the bill was reported; and, finally, after months of time it was put into law.

Those were the days of conservative statesmen. Oh, I am so sorry that they have all passed away and I am left standing almost alone as a conservative!

Mr. GLASS. Mr. President——

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

Mr. NORRIS. I yield to the Senator.

Mr. GLASS. I suggest that the Senator ought not to be quite so despairing in his disparagement of me and my radicalism if he will just reflect that I am not trying to amend the Constitution by unanimous consent. I am just proposing to submit to the people of the 48 States an opportunity to amend the Constitution themselves.

Mr. NORRIS. Why, Mr. President, that is a great deal worse than a law. The Constitution of the United States is the fundamental law of the land. I have tried to amend it several times, time and time again. One particular amendment, known as the "lame-duck" amendment, has been up here many times; and I have listened to the Senator from Connecticut [Mr. BINGHAM], the present radical, rise in his place and deprecate the idea of amending the Constitution—the work of our forefathers, Mr. President—now in the hands of radical Senators. I never dreamed that I was going to live to see the time that my country, and particularly the Senate, was going over to the control of the radicals. If I had suggested that we amend the Constitution by unanimous consent, the next day the papers of the whole world would have given that as an illustration what radicalism had grown to be in the United States Senate. Now, pleading for conservative action, pleading that we may respect that document adopted by our forefathers, which so many of you present radicals have said was something sacred, and that it was something which never ought to be tampered with by the hands of man, I beg you now to be conservative for a little while. Come back to the fold of

conservatism, come back to my position, come back to me and forget your radicalism.

I hope that what has been going on in Russia has not affected the Senators here in the United States. I hope that that wave of bolshevism that controls part of the world now has not taken possession of the Senate. I hope Senators will not become hysterical in radicalism. When we want to amend the Constitution, let us follow the way our forefathers have always followed in this great body.

Mr. President, as a last appeal, I move that the pending resolution, together with the substitute offered by the Senator from Connecticut, be referred to the Committee on the Judiciary.

Mr. WAGNER. Mr. President, I desire to offer an amendment to the amendment.

Mr. NORRIS. Mr. President, I include that amendment in my motion, that the resolution, the substitute offered by the Senator from Connecticut, and the amendment to the substitute offered by the Senator from New York, be referred to the Committee on the Judiciary.

Mr. WAGNER. Mr. President, I thought perhaps the Senator would not include my amendment, because it is rather simple, and I do not think it could be classed among those constitutional amendments which the Senator has been discussing.

Mr. NORRIS. Mr. President, I listened for an hour to the Senator from Connecticut, and he took the amendment which the Senator from Virginia wanted to get up by unanimous consent and tore it all to pieces, argued that it did not mean this, that it did not mean that, and there was nothing in it that suited him. Then he offered as a substitute another amendment, which starts out:

> That Article XVIII of the amendments to this Constitution is hereby repealed.

That is less than two lines. Yet there are 10 lines following that, every word of which is meaningless if we should adopt the first 2. This great orator, who is not here at present—he has earned a vacation; there is no doubt about that—this great orator has offered 10 lines to explain a line and a half, not a single word necessary if we leave out the first line and a half. It says, following what I have read:

> The power to regulate or to prohibit the manufacture, sale, or transportation of intoxicating liquors is reserved to the several States.

That would be true if we repealed the eighteenth amendment. Every schoolboy knows it. But the Senator from Connecticut does not know it. The great educator, the great orator, the great representative of beer, does not seem to know it yet.

All of that is unnecessary. Is there anybody who does not know that if we repeal the eighteenth amendment, then the power to regulate liquor all goes back to the States, where it was before? He says further:

> Except that no State may prohibit the transportation of intoxicating liquors in bond across its territory if such liquors are shipped in interstate commerce between points wholly outside the territorial limits of the State.

All of which would be the law, all of which is the law, the minute the eighteenth amendment is repealed. All of which has been held to be the law by the Supreme Court of the United States. There is no question about it. It is absolutely unnecessary. Then he goes on:

> The Congress shall have power to regulate the sale or transportation of intoxicating liquors in interstate or foreign commerce in a manner not to abridge or deny the power herein reserved to the States.

There is only one word in that which might be called new, and that is the word "sale." But if Congress can not regulate it so as to interfere with the right of the State, then that word drops to the ground and becomes of no consequence. So, after putting in a line and a half, there are 10 lines of surplusage.

Mr. President, I could take up the amendment offered by the Senator from Virginia, but it is unnecessary. We have found already that these great statesmen, these radicals, do not agree with each other; and now comes the Senator from New York with a third proposition, showing that, as a matter of fact, this is not really a thing which ought to be done by consent.

I therefore ask for a vote upon the motion to refer all of them to the committee.

Mr. GORE. Mr. President, I always dislike to differ with the junior Senator from Virginia [Mr. GLASS]. His experience and accumulated wisdom always give me pause. But I desire to explain why I did not vote to take up the joint resolution which he introduced.

I do not mean to discuss at this moment the merits of that joint resolution nor the merits of the substitute offered by the Senator from Connecticut; nor, indeed, do I intend to discuss the merits of the eighteenth amendment itself. I will limit my observations to a word or two explaining my opposition to the consideration of this question at this moment.

The Democratic and the Republican Parties agree upon one point, and upon one point only, in respect to the eighteenth amendment. The two great political parties agree that the people of the several States should be afforded an opportunity to change the eighteenth amendment.

That is as far as the agreement goes. They do not agree as to the character of that change. They do not agree as to the character of the constitutional amendment which should be submitted to the several States for their ratification or their rejection.

Mr. President, the Republican Party has declared in favor of modifying the eighteenth amendment. The Democratic Party has declared in favor of repealing the eighteenth amendment. That difference may be regarded as fundamental. The issue is clear-cut. That issue has been joined between the two major political parties in this country. That issue has been submitted to the American people as to a jury. The coming election will be in the nature of a referendum upon this question.

On the 8th day of next November the American electorate will return a verdict upon that issue. The verdict will be in favor of Mr. Hoover, in favor of the Republican Party, in favor of modification, on the one hand, or else that verdict will be in favor of Mr. Roosevelt, in favor of the Democratic Party, in favor of repeal.

When that verdict is returned it will serve as a sort of commission, it will serve as a sort of mandate, to Senators and Representatives. I see how many a Senator and many a Representative would feel justified in voting for modification on the one hand, or in voting for repeal upon the other, after the sovereign sense of the American people had been expressed upon that point, who would hesitate to do so pending that decision.

Mr. Hoover and his friends, many of them, will appeal to the voters to support Mr. Hoover and modification, and thereby oppose repeal. Mr. Roosevelt and his friends, many of them, will appeal to the voters to support Mr. Roosevelt, to support repeal, and thereby to oppose modification.

The Republican platform was adopted several weeks ago. President Hoover has submitted no special message urging this Congress to submit to the several States a constitutional amendment proposing modification of the eighteenth amendment. Nor have Senators on this side heckled or harried Senators on the other side, urging them to press or importune the President to take a hand in this controversy now, and to press this Congress to decide this issue at this time pending the referendum in November next.

The President has refrained from submitting any recommendations to this Congress based upon the declaration in the Republican platform touching the modification of the eighteenth amendment. I think the President is acting within the limits and bounds of propriety.

It must be at least conceivable to President Hoover that he may not be elected in November, that the verdict may be against him, that the verdict may be against modification, that the verdict of the people may be in favor of repeal and Roosevelt, and if it should be, in what light would it place the President to have attempted intervention now, to have attempted to prevail upon Congress to submit a constitutional

amendment of one kind, when, within a few months, and as a result of this referendum, the sovereign people should register a contrary wish by their votes?

It is hardly conceivable that Governor Roosevelt will not be elected President of the United States. He has declined, according to the press, to intervene in this situation, well, I think, within the dictates of propriety.

For the moment, and for the argument only, let us imagine that Mr. Roosevelt should never become President of the United States, that the verdict should be in favor of Hoover and modification and against Roosevelt and repeal. In the light of such a verdict, what would be said of him if, at this time, he had urged the Congress, pending this referendum, to submit a constitutional amendment, based on the Democratic platform, which, in the course of events, was not ratified but was rejected by the sovereign electorate of this country. I do not think that this Congress, pending the referendum, is under any obligation or mandate to submit a constitutional amendment proposing either modification or repeal. Let us abide our time, and let us hear the voice of the people. While it may not be the voice of God, it is at least the voice of our sovereign master.

Mr. President, I wish to have read into the RECORD at this point an extract from the Democratic platform of Oklahoma, upon which I was elected.

The PRESIDING OFFICER (Mr. FESS in the chair). Without objection, the clerk will read, as requested.

The legislative clerk read as follows:

We pledge the people of Oklahoma that if the Democratic candidates for United States Senate and Congress are elected, they will oppose the repeal of the eighteenth amendment or any effort to weaken the Volstead law, unless and until the people themselves, by their expressed will, shall have otherwise directed.

Mr. GORE. Mr. President, I will only add that the phrase beginning "unless and until the people" was inserted at my instance. I do not intend to discuss my personal views at this time, nor this platform pledge which for the present and until properly modified or repealed I shall take and treat as binding. I agree with the Senator from Massachusetts [Mr. WALSH] that no amendment can ever be submitted or ratified which does not give solemn assurance that the saloon will not rise from the dead. The American people have thought that the saloon is dead and they do not intend for it to rise from its grave. I think myself that the bootlegger and the bartender ought to be buried side by side in the selfsame cemetery. But I do not mean to discuss or elaborate my views at this moment. I apologize to the Senate for trespassing thus long at this time.

Mr. HATFIELD. Mr. President, I ask unanimous consent to send to the desk a resolution which I would like to have the clerk read for the information of the Senate.

The PRESIDING OFFICER. Without objection, the clerk will read the resolution for the information of the Senate.

The joint resolution (S. J. Res. 210) authorizing a preference to domestic articles in the administration of the emergency construction and relief act of 1932 was read the first time by its title and the second time at length, as follows:

Resolved, etc., That unless the interest of the United States will not permit, contractors, subcontractors, or other agents, paid from funds made available by the emergency construction and relief act of 1932, shall purchase and supply, and shall certify to the head of the department or other Government establishment concerned that they have so purchased and supplied, for use in, on, or about the work or services for which such funds are made available, articles and materials grown, produced, or manufactured in the United States, although such articles or materials may cost more, if such excess of cost be not unreasonable.

Mr. GORE. Mr. President, I hope the Senate will forgive me for trespassing again upon its time, but I can not allow this resolution to be adopted or even to be considered without making one observation upon it. It is merely an effort to "sock the taxpayer." The resolution relates to the so-called relief bill. That measure appropriates hundreds of millions of dollars to feed the hungry and to clothe the naked. Appropriations have been made out of the Treasury of the United States, out of the pockets of our taxpayers, for gratuities and doles and alms.

Mr. HATFIELD. Mr. President——

The PRESIDING OFFICER. Does the Senator from Oklahoma yield to the Senator from West Virginia?

Mr. GORE. I do not yield at the moment. Every dollar of this money is to come out of the pockets of the American taxpayer and is to be bestowed upon the beneficiaries of our charities with nothing in return, and yet the resolution proposes that when we extend charity to the suffering, to the hungry, and the naked, we shall pay more for the things bought than those things are worth. Shall the hungry pay more for bread and shall the naked pay more for clothing than the things are worth in the market place? That is a gift, a gratuity, a dole to the producers and the vendors of the American articles and commodities described in the resolution.

Mr. GLASS. Mr. President——

The PRESIDING OFFICER. Does the Senator from Oklahoma yield to the Senator from Virginia?

Mr. GORE. I yield.

Mr. GLASS. I consented to have the resolution read with the distinct understanding that it would not cause any discussion. I suggest to the Senator from West Virginia that he withdraw the resolution.

Mr. ROBINSON of Arkansas. Mr. President, I do not understand that the resolution is pending or that the Senator from West Virginia asked consent for its consideration. It was merely to be read for the information of the Senate.

The PRESIDING OFFICER. That is the understanding of the Chair. Senate joint resolution 210, introduced by the Senator from West Virginia [Mr. HATFIELD], will be referred to the Committee on Banking and Currency.

Mr. GORE. Then in discussing the pending joint resolution providing for an amendment to the Constitution of the United States, I desire to venture this one further observation on the subject of the resolution of the Senator from West Virginia. The resolution applies to foreign goods in our markets. When being bought either for charity or for construction purposes, foreign-produced goods which have run the gantlet of our customhouses, which have scaled tariff walls and tariff rates as high as Haman's gallows and have gotten within the confines of the United States, shall still be pursued, shall be marked, shall be frowned upon, and competing goods produced here shall be bought at a higher price. Of course, everyone desires American goods to be purchased for purposes of this sort when they can be purchased upon equal terms.

This proposal is in line with the fallacy we so often hear that foreign goods brought into our markets displace American labor. The foreign goods which the Senator from West Virginia has in mind have been bought with American goods. American goods produced here have been exchanged for those foreign goods. The American goods which were so exchanged were produced by American labor. Is there any reason for discriminating against American labor which produces articles exported abroad in favor of American articles which are produced and consumed at home? A man produces wheat in Nebraska, which wheat is exchanged for foreign goods. Does not that wheat give employment to American labor? Cotton is produced in Texas and exchanged for foreign goods. Does not that cotton produced in Texas give employment to American labor?

Some Senators seem to think that articles must be produced and consumed at home in order to afford employment to American labor. That is one of the fundamental troubles in this country to-day, that we have forbidden our country and others to exchange surplus goods with each other. We close our own doors to keep the foreign surplus out, and at the same time we close our doors to keep the domestic surplus in. The world is suffocating to-day beneath the burden of such surpluses.

Mr. GLASS. Mr. President, I feel so completely out of place in the Senate when it has been transformed into an elocutionary institute that I hardly know how to comment further upon the proposition now pending. Frankly, I had not expected, and do not now expect, that the Senate will

come to a decision on the joint resolution which I have introduced. Nevertheless, I am very earnestly in favor of this particular method of submitting the question of the repeal or retention of the eighteenth amendment to the various States, to be by the States determined.

I agree entirely with the brief remarks made by the Senator from Massachusetts [Mr. WALSH]. Unless there are mutual concessions in the consideration of the proposition, there is not going to be any submission of this question whatsoever to the States for determination. As already pointed out, the Republican Party in its national convention at Chicago said definitely:

> We do not favor a submission to the issue of retention or repeal.

If the Representatives in Congress and the Senators who regard the party platform act upon that proposition and the Democrats act upon the simple proposition of bare repeal or retention, how are we ever going to get the question before the States? It would be impossible, because, as I have pointed out, only twice since the era of reconstruction has any political party had a two-thirds majority in both branches of Congress, and very rarely has either of the political parties had a two-thirds majority in either branch of Congress.

I called up the joint resolution frankly to test the sincerity of the Senator from Connecticut [Mr. BINGHAM], who has persisted in making a petty political issue of the question. He seems utterly unable—I am sorry he is not here to hear me say so—he seems utterly unable to divest his mind and disposition of the poison of politics in considering a grave question of interest to all the people of this country. He not only has manifested a political bias that is indefensible, but in his last remarks he revealed a sectional bias that is unworthy of any Senator on this floor, covertly threatening—and we have had that to face before now—covertly threatening Senators from Southern States with legislation designed to subordinate people of his own race to people of an inferior race in the South unless we come to his view of the prohibition question. That is what the Senator did.

I want to inquire what the Republican Party meant in its platform declaration by saying that the question of repeal or retention must be submitted—

> Subject always to the power of the Federal Government—

Not of the respective States, but—

> Subject always to the power of the Federal Government to protect those States where prohibition may exist and safeguard our citizens everywhere from the return of the saloon and attendant abuses.

I should like to inquire what the Senator from Connecticut himself meant by his minority report to the Republican National Convention when he said:

> Should the eighteenth amendment be repealed, we pledge our best efforts through the enactment of such measures in the several States as will actually promote temperance effectively, abolish the saloon, whether open or concealed, and bring the traffic under control.

The Senator has ripped off his own disguise. He does not want to protect the States against the return of the saloon apparently. He appears to desire an unbridled dispensation of liquor. He objects to the alleged police provisions of the amendment I offered. He has got three police provisions in his own proposed amendment. The way he designs to protect the people of the respective States from the return of the saloon, from the sale of liquor to be drunk where sold in places commonly known as saloons is by persuasion of the people of the respective States. He does not propose to give us any constitutional guaranty whatsoever or to reserve within the Federal Government the constitutional right to prevent what every party has declared it wants to prevent—the return of the saloon.

Everybody knows that is perfectly ineffective. The Republican National Convention knew it was perfectly ineffective and therefore rejected and repudiated the suggestion of the Senator from Connecticut and insisted that the question of submission should always be attended with the reserve power in the Federal Government to prevent the return of the saloon.

The Senator says I have declared for the repeal of the eighteenth amendment. The Senator does not lack intelligence. He knows perfectly well that I have made no such declaration. I have simply proposed to the 48 States the question of the repeal or retention of the eighteenth amendment. That does not bind me in the slightest degree—nor does it bind any Senator here who may vote for the proposition—to vote for repeal of the eighteenth amendment. It simply commits me in favor of submitting the question; and I say frankly that should it be submitted, as some Senators have proposed, I shall not only vote against it but shall go into my State and use my very best efforts to defeat the proposition unless we are going to have it submitted with the reserved constitutional right of the Federal Government to protect the States against the return of the saloon and against the interstate shipment of liquor from wet to dry territory.

I frankly say that if it were an original proposition it would be opposed to my judgment to put the eighteenth amendment in the Federal Constitution. I agree thoroughly with former President Wilson that this police regulation had no place in the Federal Constitution; it would not have gone there but for the gross disregard of the rights of the States by the liquor interests. The States were dealing effectively with the problem at the time that the eighteenth amendment was adopted and had they been left to their own devices and resources I venture to say the prohibition of the unbridled license and sale and transportation of liquor in the respective States would be to-day under much better control that it is.

I have been a lifelong "dry," so to speak, theoretically and actually; I do not know the taste of intoxicating liquors of any description; but I have never been a zealot and I deplore the fanaticism that has been manifested here to-day by the Senator from Connecticut just as I scorn the fanaticism of some of the people who call themselves "drys."

It was the excesses of the liquor traffic, the brewers and the saloon keepers, that brought on Federal prohibition; and more recently it has been the excesses of certain clerical fanatics, themselves devoid of character, whose effrontery in assuming to speak for the moral sentiment of this country which has created this terrific reaction against prohibition. Sad to relate, the reaction has also been against genuine religion and against the churches which are supposed to voice the religious sentiment of this community.

I want to warn those gentleman who now think they are in the majority and seem disposed to tolerate nothing but their method of submitting this question that the divergence of opinion which has manifested itself here in the Senate this day should convince anyone of the difficulty of submitting the question at all. Certainly it is going to be impossible to submit it unless some regard is paid to those of us who despise the saloon system, who remember not only all its intemperance but its profanity, its vulgarity, and its attempt to seize and exercise political authority.

INTERNATIONAL TRADE IN AGRICULTURAL PRODUCTS

Mr. NORBECK. Mr. President, the Senator from Utah advises me that he has withdrawn his objection to the resolution offered by me a while ago, and I ask unanimous consent that it may be considered at this time. It is merely a resolution asking the department for information.

The PRESIDING OFFICER. The resolution will be read.

The Chief Clerk read the resolution (S. Res. 280), as follows:

> Whereas information on international trade restrictions on farm products is needed for the proper consideration of measures for farm relief; and
>
> Whereas information on such subjects is already being accumulated by Government agents: Now, therefore, be it
>
> *Resolved*, That the Senate request the United States Department of Agriculture and the Federal Farm Board, jointly, to investigate the restrictions which now exist upon international trade in major agricultural products throughout the world; the measures which are now being undertaken in the several countries to protect the

economic position of their farm producers; and the effect, if any, these restrictions and measures have had upon the prices of farm products and the welfare of American farmers, and to report to the Senate upon these matters by the next session of Congress.

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

Mr. NORBECK. I yield.

Mr. KING. It may be that we are trying to yoke together a horse and a cow, if I may use a concrete example, by using the word "jointly." I think it may be unwise. I suggest to the Senator that after the word "jointly," he insert the words "or severally."

Mr. NORBECK. I am very glad to accept the suggestion.

Mr. McKELLAR. Mr. President, may I ask the Senator if the adoption of the resolution, either now or later, will require an appropriation?

Mr. NORBECK. No; it will not.

Mr. McKELLAR. With that assurance, I have no objection to the present consideration of the resolution.

Mr. GORE. Mr. President, would the Senator object to inserting a provision that the Department of Commerce and the Tariff Commission shall lend assistance in the execution of this task?

Mr. NORBECK. I should be pleased to add such a provision.

Mr. GORE. I think it would greatly abbreviate and economize the work.

The PRESIDING OFFICER. Is there objection to the consideration of the resolution, as modified?

The resolution, as modified, was considered and agreed to, as follows:

Whereas information on international trade restrictions on farm products is needed for the proper consideration of measures for farm relief; and

Whereas information on such subjects is already being accumulated by Government agents: Now, therefore, be it

Resolved, That the Senate request the United States Department of Agriculture and the Federal Farm Board, jointly or severally, to investigate the restrictions which now exist upon international trade in major agricultural products throughout the world; the measures which are now being undertaken in the several countries to protect the economic position of their farm producers, and the effect, if any, these restrictions and measures have had upon the prices of farm products and the welfare of American farmers; and to report to the Senate upon these matters by the next session of Congress: *Provided*, That the Department of Commerce and the United States Tariff Commission shall lend their assistance in the carrying out of said investigation.

ECONOMIC SITUATION OF HOG PRODUCERS

Mr. NORBECK. I submit another resolution along the same line and ask unanimous consent for its immediate consideration.

The PRESIDING OFFICER. The resolution will be read.

The Chief Clerk read the resolution (S. Res. 281), as follows:

Whereas numerous plans have been proposed for increasing farmers' incomes from the production of exportable products; and

Whereas hogs are used for the production of exportable products, and in consequence of low demand have suffered exceedingly low prices during the past winter; and

Whereas little information is available as to the way in which measures proposed for farm relief would assist the corn and hog producer: Now, therefore, be it

Resolved, That the Senate request the United States Department of Agriculture and the Federal Farm Board, jointly, to investigate the economic situation of hog producers, the way in which various of proposed plans for farm relief (including the equalization-fee plan, the export-debenture plan, the domestic-allotment plan, the voluntary domestic-allotment plan, and such other plans as the two agencies may wish to include) would probably offset or improve the position of hog producers, both in the short and long run, and to report thereon to the Senate by the next session of Congress.

Mr. KING. Mr. President——

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

Mr. NORBECK. I yield.

Mr. KING. Does not the Senator think that the Farm Board is very poorly equipped to make this investigation? The Agricultural Department, with its Bureau of Economics, and the Department of Commerce, with its Bureau of Foreign and Domestic Commerce, are, I think, far better equipped to obtain the information than is the Farm Board. Moreover, it is to be hoped—and I think there is basis for the hope—that the Farm Board will exist no longer than perhaps the 5th of March of next year.

Mr. NORBECK. I have only two suggestions. There will be a Farm Board when we convene again. If the suggestion had been made a week ago, it would have carried more force, but I find that the Farm Board has taken over quite a large staff of economists, and are especially well equipped to obtain some of the desired information.

Mr. KING. I do not quite agree with the Senator, but I make no objection to that. I do suggest, however, the words "either jointly or separately."

Mr. NORBECK. I accept the change.

The PRESIDING OFFICER. The question is on agreeing to the resolution.

Mr. BINGHAM. Mr. President, will the Senator explain what he means by "the short and long run"?

Mr. NORBECK. I think if the Senator will get his dictionary and apply to those words the same rule that he does to any others, he will get the information.

The PRESIDING OFFICER. The question is on agreeing to the resolution as modified.

The resolution as modified was agreed to, as follows:

Whereas numerous plans have been proposed for increasing farmers' incomes from the production of exportable products; and

Whereas hogs are used for the production of exportable products, and in consequence of low demand have suffered exceedingly low prices during the past winter; and

Whereas little information is available as to the way in which measures proposed for farm relief would assist the corn and hog producer: Now, therefore, be it

Resolved, That the Senate request the United States Department of Agriculture and the Federal Farm Board, jointly or severally, to investigate the economic situation of hog producers and the way in which various proposed plans for farm relief (including the equalization-fee plan, the export-debenture plan, the domestic-allotment plan, the voluntary domestic-allotment plan, and such other plans as the two agencies may wish to include) would probably offset or improve the position of hog producers, both in the short and long run, and to report thereon to the Senate by the next session of Congress.

PROHIBITION—CONSTITUTIONAL AMENDMENT

Mr. WALSH of Massachusetts. Mr. President, I wish to express very briefly some views that I entertain concerning the proposed amendments to the Constitution now under consideration, all of them relating to the repeal of the eighteenth amendment.

I think all who are devotedly interested in bringing about the repeal of the eighteenth amendment agree that the best and most satisfactory way, from the standpoint of restoring State rights, would be the submission of an amendment for a flat repeal of the eighteenth amendment. I favor such an amendment to the Constitution. I fear, however, that there is grave possibility of a division of sentiment among those who are desirous of submitting this proposition to the States which may long postpone favorable action if we fail to consider certain important aspects of this problem.

I inquire, what brought into the Constitution of the United States of America the eighteenth amendment? Who doubts the answer to be this—the saloon? What is the reason for the agitation in America to-day against the eighteenth amendment? The illicit saloon or speakeasy; the inability of the Federal Government to enforce the Volstead Act; the inability of the Federal Government to suppress the sale and transportation of intoxicating liquor. The sentiment in America to-day, as I understand it is, in view of the failure of national prohibition to accomplish or promote temperance, to bring into the open the sale, manufacture, and transportation of intoxicating liquors under State control.

Mr. President, in my humble judgment—and I dislike to believe it—it is absolutely out of the question to consider getting favorable action toward the repeal of the eighteenth amendment unless in the repeal proposal is a constitutional assurance that the saloon will not be restored in the several States that may favor the manufacture and sale of intoxicating liquors. I am for ending present obnoxious conditions more than I am for delaying action indefinitely by in-

sisting upon restoring full State control over this question. I am willing to go part way toward surrendering State rights in order to get rid of what I think is an intolerable national condition. I am ready, if necessary, to obtain repeal—to assure the public that evils that led the Nation to turn to national prohibition will not be revived but will be constitutionally outlawed.

Let us consider some facts. To submit a constitutional amendment it takes a two-thirds vote in the House and Senate. It then takes the approval of 36 States to ratify.

How are we going to get a two-thirds vote in this Chamber? What Senator from dry States will contribute to the necessary number? We have had the roll called on minor wet-and-dry questions again and again. What has been the result? Twenty-five wet votes out of 96. Now, as between two propositions for an amendment to the Constitution—one declaring for flat repeal and the other for flat repeal with a promise that the saloon will not be restored in the several States—what is going to be the record here? What is the use of deceiving ourselves? We will still have 25 for flat repeal; and all the rest of the Senate, if they are willing at all to submit this proposition, will vote to submit it upon the basis of a promise and an assurance to the American people that the saloon will not be restored.

Mr. WAGNER. Mr. President——

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

Mr. WALSH of Massachusetts. I gladly yield to the Senator from New York.

Mr. WAGNER. I am just a little puzzled at the statement made by the Senator. He said that we shall have to assure the dry States that the saloon will not return in their States.

Mr. WALSH of Massachusetts. Oh, no; I did not say that. We shall have to assure every man, woman, and child in America that there will be no saloon in any State in order to get an amendment through, in my judgment.

Mr. BORAH. Mr. President——

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

Mr. WALSH of Massachusetts. I yield to the Senator.

Mr. BORAH. Does the Senator believe that after we once legalize the sale of intoxicating liquor in the United States it will be possible for the National Government to supervise the places where it shall be drunk?

Mr. WALSH of Massachusetts. I appreciate some difficulties are involved in that; but I do say that we will never get a repeal amendment adopted by the people of America unless there is contained in that constitutional amendment some assurance that there will not be a restoration of the saloon in those States that vote to become wet.

Mr. BORAH. I agree with the Senator.

Mr. WALSH of Massachusetts. I thought the Senator would.

Mr. GLASS. Mr. President, let me inquire of the Senator from Idaho, if we constitutionally reserve the power in the Federal Government to deny to the States the right to license the sale of liquor to be drunk where sold, in a place commonly known as a saloon, could a State issue such a license?

Mr. WALSH of Massachusetts. Of course the State could not, in violation of that stipulation in the Federal Constitution.

Mr. BORAH. The amendment which is now before us undertakes to supervise, as I understand, upon the part of the Federal Government, the place where it shall be drunk so that it shall not be drunk in the same place where it is sold. Is not that true?

Mr. GLASS. Commonly known as a saloon; yes.

Mr. BORAH. Mr. President, if the Senator from Massachusetts will pardon me just a moment——

Mr. WALSH of Massachusetts. I am very glad to yield to the Senator.

Mr. BORAH. The reason for advocating the repeal of the eighteenth amendment at the present time, stronger than any other reason that I know of, is because the National Government can not enforce the liquor law. At this time, they say, although the sale of liquor itself is prohibited, the National Government can not prevent its sale and prevent its being drunk in the same place where it is sold. They say that there are thousands of speakeasies running practically open in New York, in Detroit, in Chicago, and that the National Government can not so execute the law as to prevent it from being sold and from being imbibed at the very places where it is sold. Now, if we legalize the sale of intoxicating liquor so that it may be sold legally, will it be practically possible for the National Government to say that it shall not be drunk at a particular place?

Mr. GLASS. I do not propose in my amendment to legalize the sale. I propose to refer that matter to the States themselves, and they may determine whether they will legalize the sale or not; but if they do legalize the sale under the amendment that I propose, they are prohibited from legalizing the sale in the place commonly known as a saloon, to be there drunk.

Mr. BORAH. That makes the National Government the supervisory power over the State as to the manner in which it shall sell it and as to the place where it may be drunk.

Mr. GLASS. Undoubtedly. That is what I design to do.

Mr. BORAH. I know; and I agree entirely with the able Senator from Virginia in the objective which he has in mind. If I could solve the question of protecting the States that want to be dry and at the same time preclude the return of the American saloon, this problem would be simplified for me; but after nearly two years of rather earnest effort to work out a scheme by which we can control the place of drinking the beverage after we have made it legal to sell it, I do not believe it can be done. If we legalize the sale of liquor, the saloon will come back.

Mr. GLASS. Then ought we just to let conditions remain as they are and as they are described to us and make no effort in the world to solve the question?

Mr. BORAH. No, Mr. President; but I take the position that if we are going to legalize the sale of intoxicating liquor——

Mr. GLASS. I am not going to do that in the Constitution. I am going to leave that entirely with the States.

Mr. BORAH. Exactly; but you are going to give to the States the power to legalize the sale of intoxicating liquor.

Mr. GLASS. We do not give them any power. They will have that power after the repeal of the eighteenth amendment.

Mr. BORAH. In other words, we take off the ban of illegality, and leave the States to exercise the power of selling liquor.

Mr. GLASS. But we circumscribe the authority and power of the States as to where the liquor shall be sold.

Mr. BORAH. To my mind, when we find it impossible upon the part of the National Government to prevent liquor being sold at a certain place, and to control the method of its being drunk when it is illegal, we will find that it is absolutely impossible if the States desire to have it legally sold.

Mr. GLASS. Is it not possible—indeed, is it not probable—that those persons and institutions within the States which are authorized under the laws of the States and under the permission of the Federal Constitution to sell liquor for consumption will cooperate pretty vigorously with the Federal Government in preventing the liquor being sold where it is not authorized to be sold and drunk?

Mr. BORAH. Mr. President, at the present time a number of the States have refused, and more and more are refusing, to cooperate with the National Government in enforcing the law when it is made illegal.

Mr. GLASS. I am not talking about the cooperation of the States. I am talking about the people who are authorized under the laws of the States and permitted by the Federal Constitution to sell intoxicating liquors. They will cooperate with the State governments and with the Federal Government to prevent persons not authorized under the law to make sales from doing it, just as in the old days the

saloons, through very self-interest, cooperated with the Government to prevent moonshine sales of liquor.

Mr. BORAH. And with very little success.

Mr. GLASS. Oh, a great deal of it.

Mr. BORAH. I do not wish to trespass longer upon the time of the Senator. I close by saying that it is my judgment that once we legalize or permit the States to legalize the sale of intoxicating liquor we will have to depend upon the people of that State alone as to whether or not there shall be a saloon in the State. We can not, by a provision in the National Constitution, control the matter or prevent in that way the return of the saloon.

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

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

Mr. WALSH of Massachusetts. I do.

Mr. FLETCHER. Does not all of this lead to the proposition that in order to have prohibition we shall have to have the cooperation of the Federal Government and the States? Shall we not have to have that cooperation on the part of both?

Mr. BORAH. Yes; and the unfortunate part of it is that it is the kind of cooperation which rests entirely upon the voluntary disposition of either sovereign, and the State can not be compelled to cooperate if it does not want to.

Mr. SHIPSTEAD. Mr. President——

Mr. GLASS. Nothing that may be attempted can be more ineffective than that which we now have, according to the representations of those who have inquired into the problem.

I do not pretend to assert or to believe that the suggestion I have offered is ideal. It may not be effective; but if it is not effective, somebody with more mental acumen than I possess ought to undertake to offer something that would be more effective. I do not think we ought to go on in the present condition, particularly when the people of this country are undoubtedly demanding a submission of this question to them for decision.

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

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

Mr. WALSH of Massachusetts. I yield to the Senator from Minnesota.

Mr. SHIPSTEAD. It seems to me we have greatly overestimated the power and authority of both the National and State Governments.

In the last analysis, all enforcement of law depends upon the local community, the last unit of the democratic system of government or the republican system of government.

Unless the local community will of itself support the law, the enforcing power of the State or Federal Government is futile, it is helpless, and that, in my opinion, is the great mistake in the national prohibition law, because it places authority far away from the local community, and it is therefore ineffective. In the last analysis, a law must be enforced by the local community, the county, the municipality, or the township.

Mr. WALSH of Massachusetts. Mr. President, I think the Senator is correct. In the last analysis we must rely upon the several States to support the inhibition against the return of the saloon.

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

Mr. WALSH of Massachusetts. I yield.

Mr. WAGNER. It has been stated here time and time again that the public opinion of the country is against the restoration of the saloon, and I agree with that proposition. If that is so, will not the public opinion of a State assert itself so as to prevent the return of the saloon, even when the matter is under the regulation of a particular State?

Mr. WALSH of Massachusetts. That is not the point. The moment a flat-repeal amendment is submitted to the electorate of a State, that moment the argument against it will be, "Here is a move toward the return of the saloon." It will be announced from the pulpits of America, it will be proclaimed by every dry leader in America. It will be urged by women's clubs that the women must protect their families against the return of the saloon. It will be the one dominant argument to defeat the flat repeal of the amendment; and that is why, in order to remove that argument, I am willing to concede that in the submission amendment there be a provision that will destroy that argument by providing that the Federal Government will, in so far as it has the power, prevent or preclude the return of the saloon in the several States when control is restored to them to sell and transport intoxicating liquors.

Mr. GLASS. Mr. President, the primary consideration, the consideration which precedes the suggestion made by the Senator, is getting submission at all.

Mr. WALSH of Massachusetts. Exactly; and after getting submission, if we favor repeal, getting it repealed.

What I am concerned about is eliminating and removing present deplorable conditions from American life. When I am thinking in that direction, I have to consider how to get the American people to repeal as soon as possible the present amendment. I submit that without assurance of the nonreturn of the saloon you could not in this body, and you could not in the House, get a two-thirds vote for flat repeal.

I desire flat repeal—I believe that is the ideal thing to do—and I coincide and agree with every word and the splendid Democratic sentiments expressed by the Senator from Maryland, but I believe it is impossible; it is impracticable; it can not be done. The saloon and the word "saloon" mean so much to the American people that we will never get a submission through the Congress, to say nothing of a vote in 36 States for repeal, unless we put in the proposed amendment a promise and an assurance that the saloon is not going to return. It is because I want to get results, I want to get action, that I am willing to concede that which is in a measure an infringement of the absolute rights of the several States.

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

Mr. WALSH of Massachusetts. I yield.

Mr. TYDINGS. I realize the force of what the Senator says; and while it is not my idea of the solution, may I suggest to him that I think the amendment offered by the Senator from Virginia ought to read slightly different.

Mr. WALSH of Massachusetts. I think that is true. I am not arguing in favor of the language of any particular proposal.

Mr. TYDINGS. May I suggest to the Senator that the way the amendment now reads, it provides, "The sale of intoxicating liquors within the United States," and so on, "for consumption at the place of sale is prohibited." That will mean a police statute in the amendment. I will suggest, if we want to do that, that it should be amended so as to read, "The Congress shall have power to regulate and prohibit the consumption of intoxicating liquors at the place of sale." In other words, I would rather give the Congress a grant of power to do this than to put a police statute in the Constitution.

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

Mr. WALSH of Massachusetts. I yield.

Mr. BORAH. The Senator would have the liquor question, then, in every Congress which should convene.

Mr. ASHURST. And all the time.

Mr. TYDINGS. May I say, if the Senator from Massachusetts will yield to me a moment——

Mr. WALSH of Massachusetts. Certainly.

Mr. TYDINGS. Even if the amendment as worded is adopted, Congress will have to pass, or should pass, an enforcement act, and we know that the Volstead Act has been in politics ever since it has been offered, and I believe that this amendment would bring another Volstead Act, so called, into politics. But my main objection to the amendment as drawn is that I do not believe it is good policy to take a charter of authority and clutter it up with police regulations; that we ought to grant to Congress the power to eliminate the saloon, rather than bar it in the Constitution itself. That is one of the main objections of a great many people to the present amendment; and I feel that we should

grant to Congress the power to prevent the return of the saloon, rather than put a police statute in the new amendment, if one is adopted.

Mr. WALSH of Massachusetts. Mr. President, may I, for the sake of further impressing the importance of a provision guaranteeing the precluding of the saloon in the several States, analyze the groups in America which are interested in this question?

There are four groups of people, as I see it, interested in this problem. The first group are drys, all of them, and against submission. The second group are drys, but who are willing to submit the question to the American people. The third group are wets who seek submission. And, lo and behold, we find this group divided into two groups, one who say they will take nothing but a straight, flat repeal, and another who say they will only grant repeal plus assurance that the saloon shall not be restored.

I take the position—wanting action, wanting favorable results to come about quickly, because I believe present conditions demand it—that I am willing to concede, for the sake of getting early action and getting a favorable verdict from the American people, a constitutional amendment which will guarantee against the return of the saloon.

What ardent wet, what man who wants to get rid of present conditions, can refuse that concession to those people in America who think present conditions are intolerable, but who never want to see the saloon return?

I think we must make that concession regardless of how ardently we believe in State rights or how sincerely we believe that this problem ought to be left exclusively to the States to handle in their own way.

Mr. President, let us not forget, bad as present conditions may be, much as we prate about the failure of national prohibition, that the word "saloon" is distasteful, is nauseating, is in the minds of many people in this country a word which represents a cancer on the social and political life of the country.

Speakeasies may be bad, but saloons, open saloons, regulated and controlled, where liquor is sold publicly, drunk on the premises, where those who engage in the business participate in politics, and sometimes join hands in corrupting politics—do not forget for a moment that the American people have not lost the old picture of the saloon that brought us national prohibition. It means no repeal of the eighteenth amendment if we attempt to go before the American people on a proposition merely of flat repeal.

Because I want the States to go back to the handling of the liquor traffic in the open, under public control, without the abuses of the saloon, taking advantage of the progressive manner in which the handling of this issue has been inaugurated in some of our neighboring countries—it is because I want that day to come, and come speedily, that I am willing to concede that this amendment to the Constitution should provide a guaranty, as far as language may give it, that the saloon will not return.

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

Mr. WALSH of Massachusetts. I yield.

Mr. GLASS. May I, at this particular point, put into the RECORD, as a last word, the definition of a saloon for the particular information of some of my collegiate friends who seem not to know the meaning of "saloon"?

Mr. Webster defines a saloon as, "A place where intoxicating liquors are sold and drunk; a grog shop." The term is used commonly of a place where there are no lodgings or regular service of meals as in a hotel.

I think it is important to know what the definition of a saloon is.

Mr. WALSH of Massachusetts. I thank the Senator, and I thank the Senator from Arizona, who yesterday read a similar definition from one of the dictionaries.

Mr. President, I want to say to my dear friend the Senator from Maryland, and my friends the Senators from Ohio and New York, for whose interest in this subject and loyal devotion to the efforts to bring about a repeal of the eighteenth amendment they are deserving of the praise and gratitude of their fellow citizens, that I hope they will not feel that I am one whit less devoted to State rights, and one whit less desirous and anxious for a flat repeal than they, but, as a practical question, we must accept something less. We must precede our efforts for repeal by assurance that the saloon is not to be restored. Knowing my fellow Senators, I do not hesitate to say that when the roll is called between an amendment that is a flat repeal and an amendment that is flat repeal plus nonreturn of saloon, Democrats and Republicans from dry States will have to, because of the force of public opinion, vote for that kind of an amendment which guarantees that the saloon will not return, and we four with a few others will be here, a hopeless minority, voting for what we believe to be ideals of State rights.

Mr. WAGNER. Mr. President, the dry States were not concerned so much with the saloons as the so-called wet States, because that was a problem of the wet States, but they were concerned with whether or not under the Federal Constitution Congress would have the power to pass legislation which would protect them against the importation into their States of liquor from wet States. We are all agreed now that while there was apprehension about that, even after the Webb-Kenyon Act was passed by Congress over the veto of the President, which was finally declared constitutional, under the Constitution Congress has the absolute power to protect the dry States against the importation of liquors from the wet States, and within the State a dry State has a right, and, of course, will have its own laws. I do not see how the question of the saloon is involved.

Mr. WALSH of Massachusetts. Mr. President, in my humble judgment that factor was inconsequential in the movement in this country for national prohibition. In my judgment, the people of this country got the impression that a saloon—wherever located, in whatever State located, even if the people lived in a State that was absolutely dry and never had seen a saloon—was immoral, that it was a social evil that must be stamped out if the moral life of the country was to be sustained and maintained.

It was the existence of the saloon, no matter where, that led to the movement for national prohibition, which meant not only to keep the dry States dry, not only to keep out of the dry States liquors flowing in from wet States, but more than that and larger than that, a consciousness, a moral conviction, that there was a grave evil, a serious menace in the saloon. I think they exaggerated it. I do not follow them in the extent to which they went in denunciation of the evils of the saloon. Yet it certainly was the dominating and controlling factor, and we might as well admit now as ever that the saloon will never come back into this country again. Even if we get State rights and States should undertake to consider the legalization of the saloon, we would witness again a movement for the readoption of the eighteenth amendment.

Mr. WAGNER. The Senator is acquainted with the public opinion of his State, I am sure, as I am with the public opinion of my State. Is not the Senator confident that the public opinion of his State would have control of legislative action on this question so there will be no return of the saloon?

Mr. WALSH of Massachusetts. I am not so confident. I know one thing, though, that if it is in the Constitution, it will not return, and the Senator and I do not know what the pressure and influence will be in our States five years from now to broaden or expand the methods of the manufacture and sale of liquor. We might begin with the firm conviction and belief that the saloon should not return. I think I would be assuming a tremendous responsibility to make a public declaration that my State or any State, if we pass simply a flat repeal, in five years from now would not advocate the return of the saloon. I do not see how we could promise it. I do not see how we could assert it. I do not see how we could assure it. I do not see how we could promise that we would not go back to the old system. It might be 5 years or 10 years or 25 years, but nobody can promise it. Just now, undoubtedly, the sentiment is everywhere against the saloon's return.

That, I understand, is the thing that troubles the Senator from Idaho [Mr. BORAH]. He does not want that. That is the last thing he wants. If he got assurances and could frame language for a statute and a constitutional amendment that would absolutely prohibit the possibility of the saloon coming back in the several States, without the Federal Government having authority, I understand he would be disposed to vote for repeal of the eighteenth amendment, provided he could also have a guaranty that the dry States would be secure against transportation of liquor from the wet States within their borders.

I want to ask the Senator from New York a question, because I know that he and I are deeply interested in this question and that our constituents are, and that we are both sincerely devoted to obtaining favorable action for repeal. I want to ask him if, in the State of New York, repeal of the eighteenth amendment would not get tens of thousands more votes if the repeal amendment guaranteed nonreturn of the saloon?

Mr. WAGNER. I do not think it would make much difference.

Mr. WALSH of Massachusetts. I will say that in my own State women by the thousands would vote for repeal if they had assurance that the saloon was not going to return; but if the preachers and the pulpiteering politicians told them that a flat repeal gave them no promise of the nonreturn of the saloon to the very street corner where they live, we would have difficulty in getting many votes for repeal. I want to impress upon the Senator that my argument is based upon the practical conviction that the way to bring about repeal, the way to get votes here in the two Houses, the way to get the States to ratify, is to go as far as we can in assurance that the saloon will not return. I am furthermore convinced that if we divide forces, with the Senator from Ohio [Mr. BULKLEY], the Senator from Maryland [Mr. TYDINGS], the Senator from New York [Mr. WAGNER], and myself on one side of the question and other Senators on the other side of the issue, then we can say, "Good night" to repeal. All our efforts will have been for naught and there will be little hope, because the dry anti-saloon group will stay in the trenches until the last hour against a flat repeal. The force of public opinion in many States will compel it.

Mr. WAGNER. I think the women of the State of New York are very confident that public opinion will control that question, and there will be in New York, as I am sure there will be, no legislation that will permit the return of the saloon.

Mr. WALSH of Massachusetts. What promise can the Senator give the women of Georgia and Indiana that in five years from now the New York or Massachusetts Legislature will not permit it? There is no promise, there is no provision, there is nothing in the Constitution, if we have only flat repeal.

Mr. WAGNER. Because public opinion controls these matters anyway. A mere provision in the Constitution as a prohibition law does not control the situation. Unless in a democracy the law reaches the conscience of the people it can not be enforced; and that is the difficulty in attempting to set one standard—a uniform standard—throughout the United States with people of different views, which has been the downfall of this law. I am interested not in liquor but in the problem of government. I think the Senate ought to let the communities themselves determine for themselves what ought to be done. We can rely upon the moral sentiment of a community to see that nothing is done which is destructive.

Mr. WALSH of Massachusetts. My interest, and the Senator's interest, is as quickly as possible to submit the amendment and get it approved. Everybody is for submission to-day. Every political party is for submission. Most men and women are for submission. The question is, When shall we submit it? And the question also is, If we do submit it, will the people approve the change that we hope and expect, namely, repeal?

How quickly can we get it to the people and how can we best have assurance of a favorable verdict? I say the evidence is overwhelming that we can get it approved more readily in the form of a proposed amendment that will give some assurance that the saloon will not return. I say any other proposal means delay, postponement, possible failure, and means years and years more of bootlegging with its evils before there is any actual repeal of the eighteenth amendment. That is my honest conviction.

Mr. President, I have talked longer than I intended. Yesterday the Senator from Mississippi [Mr. HARRISON] made references to a speech which I made in the Democratic National Convention presenting and defending the majority prohibition plank of the Resolutions Committee. In view of his quoting from that speech, I ask permission that my speech may be printed in the RECORD at this point in connection with my remarks.

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

The speech is as follows:

ADDRESS OF SENATOR WALSH OF MASSACHUSETTS TO THE DEMOCRATIC CONVENTION ON PROHIBITION PLANK

Mr. Chairman, the time has passed for debate about the curse which constitutional prohibition has laid upon our land, and the social and economic debacle it has wrought. The country has reached its decision—the eighteenth amendment must be repealed and will be repealed. The eighteenth amendment is doomed.

The immediate question now is, How are we going to get rid of it, and, How soon?

For 12 long years we have witnessed a vain attempt to regulate the habits and control the tastes of the people by force of law—the vain attempt to make men moral by force rather than by religion or example and precept. All human experience demonstrates that such attempts are doomed to failure. We have experienced this failure.

What are the destructive consequences of this constitutional enactment that is neither enforced nor enforceable? We have seen this amendment breed a disregard for all law, which has become the most ravaging menace of our times; we have seen it become the agency through which crime has been financed.

It has corrupted men. It has corrupted government. It has created a class who have set themselves outside the law and brazenly enforced their own decrees and make their own judgments affecting life and property.

There is no need of further recital. The only question I repeat, is when and how we are going to end it.

The issue is repeal of the eighteenth amendment or nullification. It is one or the other. There is no middle ground. Circumstances and conditions beyond the control of any men or set of men, have made it that.

What sham and mockery and humbug to prate about law enforcement and law observance with respect to the eighteenth amendment, as does the Republican prohibition plank, in utter disregard of the realities of the situation. The time has come to realize that the eighteenth amendment is neither observed nor enforced, and the experience of 12 years has demonstrated beyond successful contradiction that the eighteenth amendment will never be observed and can never be enforced.

Political parties do not make issues. Circumstances and events make issues. Parties, if they be courageous, meet issues. The prohibition question is more than an issue to-day—it is one of the greatest issues, and an issue which the country demands be dealt with and dealt with decisively, without equivocation and without delay.

This is the action which your committee on resolutions by two-thirds majority to-day voted to recommend to this convention.

A mere pledge of resubmission, as proposed by the minority plank, does not meet the issue. A pledge to submit the question dodges the issue. Every political party and practically every member of every party, whatever their convictions on this question, now proclaim themselves—to be sure, many of them grudgingly—ready and willing to submit the question of repeal.

That was not the situation a year ago. It was not the situation six months ago. Then the adherents to the eighteenth amendment were opposed even to resubmission—opposed to permitting the American people to register through constitutional process the adverse verdict.

But that opposition has disappeared in the face of prohibition-repeal sentiment, now crystallized and vocal, which has swept over the country like a prairie fire in recent months. To-day the American people take it for granted that the two great political parties favor submission of the question.

That is not enough.

What the American people demand to know from their office-holders and from those seeking office—yes, and from their political parties—is where they stand on this question.

Do they favor repeal, after the question of repeal is submitted, or do they oppose repeal? All candidates in the election in November, and that includes candidates for the Presidency, will be compelled to declare where they stand on this question.

The Republican Party, in its convention in this very hall two weeks ago, straddled and equivocated. There was a proposal; yes; for an amendment to the eighteenth amendment, vague and contradictory in its verbiage, but no declaration by the party of

whether it favored or opposed ratification of such an amendment. No declaration by the party whether it favored or opposed the continuation of Federal prohibition—merely a promise to submit the question. That was evasion, and the country has recognized it as such.

I plead with the Democratic Party not to make the same mistake, not to take refuge in a similar evasion, not to content itself with a mere pledge to submit the question of repeal.

I plead with the Democratic Party to meet the issue squarely; and if we favor repeal, say so in terms that can not be mistaken.

It has been said often, and will be repeated by the minority, that the question of repeal of the eighteenth amendment is a controversial question upon which men's convictions differ, and so indeed it is. It has been said that it is a moral question, and so indeed it is; and then it is contended that since it is a controversial question, and a moral question, a political party ought not to be expected to take sides on the question, but should straddle it or remain silent.

Such contention is without merit—it is unworthy of men and of parties. All issues, all questions within the realm of government are controversial. The tariff question is controversial; disarmament is controversial; adherence to the World Court, cancellation of foreign debts, and a host of other questions of the present hour, questions upon which there is a division of opinion within the political party, and yet no one contends that because there is the division of opinion, and because they are controversial, the party should remain silent.

It is the reverse of that.

There is insistent demand and pressure for party declarations on all such controversial issues, and such party declarations are made, as they ought to be made, in accordance with majority opinion and majority will of the party.

The question of slavery, which rent the country three-fourths of a century ago, just as the question of prohibition is rending the country to-day, was a moral question.

After years of straddle and compromise on the slavery question there came a day when that issue, as a political issue, had to be met and when statesmen and parties had to declare themselves on that question. In my judgment, we are precisely at that point to-day on the prohibition issue.

The platform plank on the prohibition issue which the majority of your committee on resolutions submits to the convention is in the language of the primary-school primer. No one may mistake its meaning. It requires no interpretation. It offers no opportunity for dispute as to its purpose and intent. The first sentence contains eight words. They are:

"We favor the repeal of the eighteenth amendment."

No weasel words, these!

The second sentence reads:

"To effect such repeal we demand that the Congress immediately propose a constitutional amendment to truly representative conventions in the States called to act solely on that proposal."

It has been contended that the "naked" repeal of the eighteenth amendment will deluge the country with liquor without regulation or constraint and bring back the open saloon.

It will do nothing of the kind. Simple and straightforward repeal of the eighteenth amendment, without reservation, automatically restores to the States their own untrammeled rights to deal with the liquor traffic as each State sees fit. That is as it should be.

Congress could and would prohibit and suppress the transport of liquor into such States as still elect to cling to prohibition. No constitutional amendment or mandate is required for that purpose.

But in order that the American people may be further assured with respect to these matters, and in order that they may know that the Democratic Party, though it takes it stand for repeal of the eighteenth amendment, stands also unreservedly against any return of the open saloon, the platform plank which we present to the convention to-day contains this additional pledge:

"We urge the enactment of such measures by the several States as will actually promote temperance, effectively prevent the return of the saloon, and bring the liquor into the open under complete supervision and control by the States.

"We demand that the Federal Government effectively exercise its power to protect States against importation of intoxicating liquors in violation of their laws."

What more need be said than that?

What more should be said or can be said unless we are to embrace the proposition that the Federal Government undertake to invade State and private rights contrary to the principles upon which our Republic was established.

Is not this declaration an honest and sincere pledge to which we may all sincerely subscribe? We submit that it is.

We are all in accord on this phase of the question.

We of the majority also believe that the Democratic Party ought to offer to the country more than its pledge to repeal the eighteenth amendment. Our party ought to call upon Congress for immediate liberalization of the Volstead Act; therefore the final declaration in our majority plank is as follows:

"Pending repeal we favor immediate modification of the Volstead Act to legalize the manufacture and sale of beer and other beverages of such alcoholic content as is permissible under the Constitution and to provide therefrom a proper and needed revenue."

Time does not permit me to argue this question. It requires no argument. It is subordinate to the major and fundamental issue of repeal of the eighteenth amendment; but it is corollary to it, and the clearly indicated course if we truly mean to end present intolerable conditions.

Now, let us examine the plank presented to this convention in the minority report.

Their plank says nothing about liberalization of the Volstead law; that is self-evident.

But what about the eighteenth amendment; where does the minority plank put the Democratic Party on that question?

The declaration of the minority plank advocates what?

Submission of the question.

What question?

Repeal of the eighteenth amendment.

Does it advocate repeal?

It does not.

Does it oppose repeal?

It does not.

The minority plank is neither for or against repeal.

In the main that is the only difference between the minority plank and our plank, but it is a stupendous difference.

Eight words make the difference: "We favor the repeal of the eighteenth amendment."

Where does the Democratic Party stand to-day on that issue? Are we for repeal or against repeal? Are we going to declare where we stand on that issue or are we going to remain silent? The vote of this convention to-day will determine that.

The resolutions committee by a vote of 35 to 17 went on record in favor of an unequivocal pledge of repeal.

Mr. Chairman, we submit this majority report to the convention with the confidence that is begotten of the conviction that courage, truth, and State autonomy is on our side, and that evasion, political timidity, and Federal bureaucracy is on the other side. We confidently expect this convention to ratify the action of the majority of your committee on resolutions.

Mr. JONES. Mr. President, a day or two ago I said I had copies of an analysis of the Republican platform and an analysis of the Democratic platform dealing with the liquor question, made by David Lawrence. He has made a very impartial, unbiased analysis of the two planks. I can see nothing political about it. I think it is a very valuable analysis. I think it ought to be available to all our people. Therefore I ask permission to print in the RECORD his analysis of the two planks of the two political platforms. Those who read it know there is nothing political about it. I think it is absolutely unbiased.

Mr. CONNALLY. Mr. President, does anybody else concur with the Senator from Washington in the view that the analyses are not partisan?

Mr. JONES. I have not asked anybody one way or the other. I am simply telling the Senator my view of it, so far as I am concerned. I do not consider it political at all.

The PRESIDING OFFICER (Mr. SMOOT in the chair). Without objection, the request of the Senator from Washington is granted.

The analyses are as follows:

THE REPUBLICAN PROHIBITION PLANK

(Radio address of David Lawrence, June 19, 1932)

I have been asked by several radio listeners to explain to-night the meaning of the platform plank on prohibition adopted by the Republican National Convention at Chicago this past week. Permit me at the outset, however, to say that I do not wish to be understood as advocating either the Republican platform or the Democratic platform, for I do not consider myself in any sense a political partisan.

I do feel, however, that an analysis of what these platform planks mean may be helpful to those who wish to be partisan. My function therefore is simply one of exposition.

First of all let me express to you my amazement at the comments I have heard about the Republican prohibition plank. One is compelled to think that the text of the planks offered by the majority and the minority either have not been read or the implications of each have been completely brushed aside in favor of slogans and superficial judgment.

Let me remind you that the first half of the prohibition plank was unanimously agreed upon, that this section had and continues to have the full support of Nicholas Murray Butler, Senator BRIGHAM, and all those who later proposed simple repeal of the eighteenth amendment. Here is that part of the plank which was unanimously adopted:

"The Republican Party has always stood and stands to-day for obedience to and enforcement of the law as the very foundation of orderly government and civilization. There can be no national security otherwise.

"The duty of the President of the United States and of the officers of the law is clear. The law must be enforced as they find it enacted by the people. To these courses of action we pledge our nominees.

"The Republican Party is and always has been the party of the Constitution. Nullification by nonobservance by individuals or State action threatens the stability of government.

"While the Constitution makers sought a high degree of permanence, they foresaw the need of changes and provided for them.

"Article V limits the proposals of amendments to two methods: (1) Two-thirds of both Houses of Congress may propose amendments; or (2) on application of the legislatures of two-thirds of the States, a national convention shall be called by Congress to propose amendments.

"Thereafter ratification must be had in one of two ways: (1) By the legislatures of three-fourths of the several States, or (2) by conventions held in three-fourths of the several States. Congress is given power to determine the mode of ratification.

"Referendums without constitutional sanction can not furnish a decisive answer. Those who propose them innocently are deluded by false hopes; those who propose them knowingly are deceiving the people.

"A nation-wide controversy over the eighteenth amendment now distracts attention from the constructive solution of many pressing national problems. The principle of national prohibition as embodied in the amendment was supported and opposed by members of both great political parties.

"It was submitted to the States by Members of Congress of different political faiths and ratified by State legislatures of different political majorities. It was not then and is now not a partisan political question.

"Members of the Republican Party hold different opinions with respect to it and no public official or member of the party should be pledged or forced to choose between his party affiliations and his honest convictions upon this question."

That is the end of the quotation from the section in which all sides agreed, and let me call your attention to the fact that this included law enforcement, plain disapproval of the idea of nullification or nonobservance "by individuals or by State action." It also allows a public official or candidate to differ from the party platform without being forced to choose between his party affiliations and his honest convictions upon this question.

This would seem to me to say that any Republican running for office, including the President himself, is free to differ from the party platform plank on prohibition, a concession which a party platform has rarely ever given before.

Now we come to the section upon which there was a difference of opinion between the majority and the minority in the platform committee and in the convention itself. Let me read the majority proposal which was finally adopted by the convention:

"We do not favor a submission limited to the issue of retention or repeal. For the American Nation never in its history has gone backward, and in this case the progress which has been thus far made must be preserved, while the evils must be eliminated.

"We, therefore, believe that the people should have an opportunity to pass upon a proposed amendment the provision of which, while retaining in the Federal Government power to preserve the gains already made in dealing with the evils inherent in the liquor traffic, shall allow States to deal with the problem as their citizens may determine, but subject always to the power of the Federal Government to protect those States where prohibition may exist and safeguard our citizens everywhere from the return of the saloon and attendant abuses.

"Such an amendment should be promptly submitted to the States by Congress, to be acted upon by State conventions called for that sole purpose in accordance with the provisions of Article V of the Constitution, and adequately safeguarded so as to be truly representative."

That is the end of the quotation from the majority plank. You will note several things in that plank. First, it takes for granted that the people want an opportunity to pass upon a new amendment to the Constitution to take the place of the eighteenth amendment. It takes for granted that the people who do not wish to retain the eighteenth amendment shall have an opportunity to vote on the merits of a new amendment. It would give the people who wish to retain the present eighteenth amendment an opportunity to vote "no" on the proposed new amendment or any repeal amendment to insure the retention of the eighteenth amendment.

In other words, just as the platform planks say, the convention did not wish to limit the proposed referendum to the question simply of repeal or retention but took for granted that if the amendment were to be repealed something else had to take its place. What should that substitute be? The majority insisted that the States be allowed again to deal with the problem as their citizens may determine but subject only to two limitations—one that the Federal power should be exerted "to protect those States where prohibition may exist," and the other that the Federal power be used "to safeguard our citizens everywhere from the return of the saloon and attendant abuses."

Is this not a contradiction, it is asked? How can you return the power to deal with the liquor problem to the States and at the same time interfere to the extent of safeguarding against the return of the saloon? The answer is purely legal. If you concede that each State which has prohibition has a right to be protected against the invasion of the liquor traffic from outside the State, then you are asked to concede that each county or city has the same right to be dry and to be protected against outside invasion, and that if a State law is not enforced so as to protect a local community against wet invasion then the Federal power may be invoked to secure that protection. This is local option plus Federal aid.

But it will be noted the majority plank uses the phrase "safeguard our citizens everywhere from the return of the saloon." This means, of course, that the States will have complete power to deal with the liquor traffic subject to one qualification, namely, that the saloon must not return. To that end the power of the Federal Government would be pledged jointly with the States to prevent a return of the saloon.

Let us now look at the minority plank. It reads as follows:

"We recommend that the Congress of the United States immediately propose an amendment to the Federal Constitution repealing the eighteenth amendment thereto to be submitted in conventions of the people of the several States called for that sole purpose, in accordance with Article V of the Constitution of the United States.

"Should the eighteenth amendment be repealed, we pledge our best efforts toward the enactment of such measures in the several States as will actually promote temperance, effectively abolish the saloon, whether open or concealed, and bring the liquor traffic itself under complete public supervision and control with revenues properly drawn from legalized sources for the relief of the burdened taxpayers."

That is the end of the quotation from the minority plank. You will observe that like the majority it proposes a new amendment to do away with the existing eighteenth amendment, but it does not sanction any continuance of Federal power. It relies upon State laws to keep the saloon from coming back. Indeed, the minority plank makes no provision for the use of Federal power to protect the dry States which may wish to be protected against invasion from wet States. It does not require a constitutional amendment, of course, to do this, as the famous Webb-Kenyon law, passed before the eighteenth amendment was adopted, was considered ample for that purpose. Still the minority plank does not even mention measures like the Webb-Kenyon law as a protection for dry States, and even that law did not protect dry communities in States where State enforcement laws might break down or be repealed.

If the majority plank really means repeal in the sense that a substitute amendment when adopted would automatically repeal the eighteenth amendment, why didn't the platform makers frankly say "repeal"? Well, that is a fair question. The answer is that if you are an employer and for one reason or another find it necessary to write a letter discharging an employee, you do not say, "You are hereby fired; get out," unless, of course, you do not wish to retain the good will of the departing employee. What you usually see written is, "We regret very much that, owing to unforeseen conditions, we shall not be able to avail ourselves of your valuable services."

So the Republican majority thought it more graceful and less offensive to the drys to omit mention of repeal as such and to propose instead a substitute for the eighteenth amendment which in itself means repeal of the old the moment the new amendment is adopted. Remember, it takes wet and dry States to vote to repeal an amendment and 13 dry States can block repeal.

Also, there was another phrase or two which was intended to reconcile the drys and keep their support for the vital point, namely, a substitute for the eighteenth amendment. It read, "While retaining in the Federal Government power to preserve the gains already made in dealing with the evils inherent in the liquor traffic."

You may ask, "What gains?" Well, if you believe the past 10 years has taught us nothing about law enforcement and the tricks and avoidances of bottleggers and those who aid them in breaking the law, then, of course, we have made no gains. But anybody familiar with prohibition law before the eighteenth amendment was adopted and the body of law and judicial decisions set up since then will concede, I am sure, that the experience with the liquor traffic since motor transportation and rum running by boats came into vogue is altogether different than that which we had more than a decade ago. Supposing, for example, the State of South Carolina should decide that it wished to distribute, as it did back in the nineties, all liquor through a State-owned establishment, and suppose rum runners began to hover off the Atlantic coast and land their cargoes for distribution on land by bootleggers cheaper than the State's price list and taxes. Would we deny the State of South Carolina the aid of the Federal Coast Guard to help it enforce the law? Each State could not build a Coast Guard. Twenty-five of our States are bounded by deep water.

Consider also the system of inspection at the Mexican and Canadian borders aimed at smuggling in violation of customs laws. Can we collect revenues to help our governmental budgets if the land and water boundaries are not effectively policed? Enforcement has made gains, but many of the people who read that word in the platform plank were probably not thinking of legal gains but social gains, and they doubtless disagreed that there had been any gains to society from prohibition. The drys answer that the abolition of the open saloon was a gain. The wets say it has been offset by the speakeasy. Both sides agree, however, nowadays that they do not want the saloon back, so if the whole purpose of the Federal power is to prevent the return of the saloon then the difference between the majority and minority planks is a difference in method of enforcement of the wishes of all our people. Such a difference will naturally not be defined in a platform plank as closely as it would be in the actual phraseology of the constitutional amendment to be proposed, or the laws to be passed by the States if the eighteenth amendment were repealed without a substitute amendment.

The issue is plainly drawn. The Republican platform plank proposes that a new amendment shall take the place of the eighteenth, and that such an amendment shall give the States the right to have light wines and beer or whisky to any alcoholic

content the people of each State may desire, but when it comes to distributing these beverages it must not be through open saloons. Well, there are plenty of ways of distributing liquor lawfully without the open saloon. Canada insists liquor must not be drunk on the premises where it is bought. There are, indeed, several plans for legal distribution which do not include the saloon.

It all comes down to this: If you think the States alone should have the power to deal with saloons, and you are not concerned with Federal protection for those communities which wish to remain dry, then your view is expressed by the minority plank. But if you want the eighteenth amendment repealed and in its place an amendment substituted which shall give the States the right to legalize the sale of intoxicating liquors, but with the power of both the State and Federal Governments pledged against the return of the saloon, then the Republican platform proposes that you shall have an opportunity to vote on that question. A convention platform is not, of course, legislation. Even if the minority plank had been adopted, it still would become necessary for a two-thirds vote of both Houses of Congress to pass on the question of repeal or the substitution of a new amendment, and only after that step has been taken can it go to the several States for adoption or rejection.

So the next step really is to elect candidates for Congress who represent the views you desire translated into action, and bear in mind that the President of the United States, whether he be Republican or Democrat, has no vote on the question of repeal or anything else that has to do with the actual adoption of a constitutional amendment, for it is mainly the responsibility of two-thirds of the Senate and two-thirds of the House, without either presidential veto or signature.

When the Democratic prohibition plank has been adopted, I shall be glad to devote a Sunday evening talk to an explanation of its provisions.

THE PROHIBITION PLANK IN THE DEMOCRATIC PLATFORM

Three weeks ago I devoted one of these Sunday evening talks to an exposition of the prohibition plank in the platform of the Republican National Convention, and I promised that I would subsequently explain the prohibition plank of the Democratic platform.

I know there are some who will say that the Democratic plank is so clear and unequivocal that it needs no explanation. Perhaps we should say that the Democratic plank does a better job in its clear appeal for wet votes than does the Republican platform; but I must confess that, being a layman and not a politician running for office, the Democratic plank impresses me as having in it more points that require explanation than its Republican competitor—I mean questions that need to be answered if we are honestly seeking a solution of the prohibition problem and not merely setting up, as both platform planks characteristically do, a device to catch votes during a congressional and presidential campaign.

Let me read the Democrats' plank in full text:

"We advocate the repeal of the eighteenth amendment. To effect such repeal we demand that the Congress immediately propose a constitutional amendment to truly representative conventions in the States called to act solely on that proposal. We urge the enactment of such measures by the several States as will actually promote temperance, effectively prevent the return of the saloon, and bring the liquor traffic into the open under complete supervision and control by the States.

"We demand that the Federal Government effectively exercise its power to enable the States to protect themselves against the importation of intoxicating liquors in violation of their laws.

"Pending repeal we favor immediate modification of the Volstead Act to legalize the manufacture and sale of beer and other beverages of such alcoholic content as is permissible under the Constitution and to provide therefrom a proper and needed revenue."

Upon examining this plank we are led to assume that every Democratic Member of Congress, every Democratic candidate for Congress is committed to vote for the repeal of the eighteenth amendment and no substitute in the way of a modification of the eighteenth amendment. The Democratic Party commits its members, if they obey the platform, to vote for repeal and nothing else.

It also commits every Democratic Member of Congress or candidate to vote for such a change in the Volstead Act as will permit beer to be manufactured and distributed.

But what kind of beer? The public is asked to believe the Democrats meant real beer and not near beer. But is real beer intoxicating? If it is, then any law permitting it violates the Constitution, which says intoxicating beverages may not be sold generally.

The Democratic platform gets around the issue by saying it commits its members to voting only for such a change in alcoholic content "as is permissible under the Constitution."

But does the country want only such beer as is really permissible under the present Constitution or does it want, to use a popular phrase, beer with a kick in it?

Now, there are some Senators who declare that 4 per cent beer is not in fact intoxicating, and therefore any law permitting it would not violate the Constitution.

I can, perhaps, do no better service on this point than to read you to-night extracts from the stenographic record of the debate in the Senate of a few days ago in which grave doubts are expressed as to what is or what is not intoxicating, and hence what would and would not violate the Constitution. Here is what Senator ASHURST, of Arizona, Democrat, said:

"If any Senator, upon his honor as a man, on his judgment as a legislator, after investigation, comes to the conclusion that 4 per cent beer—viz, beer with an alcoholic content of 4 per cent by weight or volume—is in fact intoxicating, that man registers a false oath before heaven when he votes here for that which is denounced by the Constitution. Therefore, if the wettest of wet Senators and if the wettest of wet Democrats reach a conclusion that beer with an alcoholic content of 4 per cent is in fact intoxicating, their honest and direct duty and recourse is to seek a repeal of the eighteenth amendment rather than to violate that amendment. I have not much patience or sympathy with any suggestion that any part of the Constitution should be violated. If 4 per cent beer is in fact intoxicating, I shall not vote for it unless and until the Constitution shall be changed. If it is not intoxicating and will produce revenue, I shall vote for it to-day, to-morrow, or next week."

That ends the quotation from a Democratic Senator, Mr. ASHURST, and now let us hear what Senator BINGHAM, of Connecticut, a Republican, says:

"May I call the attention of Senator GLASS in connection with what he said earlier in the day regarding what was intoxicating and what was not, to the statement of Prof. Francis G. Benedict, director of the nutrition laboratory in the Carnegie Institute of Washington, now located in Boston, Mass., who was called to testify before the committee.

"He stated that he was director of the nutrition laboratory of the Carnegie Institution, located in Boston, and that he had started out in 1907 to discuss the general problems of nutrition, and, among other things, he said:

"'It seemed perfectly fitting to study the nutritive character and quality of alcohol as well as that of proteins, fats, or carbohydrates, for there are several million people, notably in France, who regularly receive each day as many calories in the form of alcohol as they receive in the form of protein.'

"At the conclusion of his testimony, after he had described certain reactions or reflexes caused by a small amount of alcohol, I asked him this question:

"'In the ordinary sense of the word, is the use of beer, as it is used in Germany, intoxicating or not intoxicating?'"

Doctor Benedict replied:

"'I should say, in the ordinary sense of the word, "intoxicating," as ordinarily used by the majority of people, no.'

"Senator BINGHAM. It is not intoxicating?

"'Doctor BENEDICT. They do not get to the point where they can not walk and can not talk.

"'Senator BINGHAM. Do you think when we adopted the eighteenth amendment of the Constitution we referred to these little reflexes in the body, or did we refer to the ordinary habits of people?

"'Doctor BENEDICT. We referred to the ordinary habits of the people.'

"In other words, a distinguished scientist, who had under consideration a reply to a question, stated that beer as used in Germany in the ordinary sense of the word was not intoxicating. I quote him as a distinguished authority in no way concerned with the political aspects of the case.

"Mr. GLASS. I want to inquire, first, whether the Senator's committee accepted this testimony as conclusive. Did it report his proposed amendment with a recommendation that it be adopted by the Senate?

"Mr. BINGHAM. The subcommittee which held the hearings in its report to the full committee said that it 'took extensive testimony from expert qualified witnesses to determine definitely the following.'

"There followed six questions, one of which was:

"Whether or not beer containing not more than 4 per cent alcohol by volume may be considered intoxicating.

"And in its reply to that the majority of the subcommittee, in reporting to the full committee, said:

"'The subcommittee, therefore, concludes that beer containing 4 per cent of alcohol by volume can not be considered an intoxicating beverage.'

"Mr. GLASS. Did your authority and your subcommittee convince the general committee?

"Mr. BINGHAM. I was not a member of the subcommittee, but I was about to say that that report was not accepted by the full committee, which decided that the subcommittee was wrong; but a minority of the full committee signed the report.

"Mr. GLASS. I understand that; I have read all that. I want the Senator to say whether his authority, together with his subcommittee, convinced the general committee, and if the general committee reported the bill favorably.

"Mr. BINGHAM. The Senator knows the answer to his question.

"Mr. GLASS. But I would like to have the Senator give me the answer for the record.

"Mr. BINGHAM. The majority of the committee reported against it.

"Mr. GLASS. Exactly. In other words, a majority of the committee thought that the Senator's proposition, while not involving that degree of intoxication that would put a man on the ground and make him tongue-tied, was sufficiently intoxicating to make him reel, and yet to enable him to say something of an intelligible nature. Is that it?

"Mr. BINGHAM. The majority, consisting of Senators JESSE H. METCALF, WARREN BARBOUR, ROBERT M. LA FOLLETTE, Jr., and ROBERT

J. BULKLEY, signed a report, which is on the calendar and has been for two months, in which they state their belief that the adoption of this measure would—

"Promote temperance, strengthen the law, decrease crime, and generally contribute to the public welfare.

"The majority contends that beer of 3.2 per cent alcohol by weight can not be considered a nonintoxicating beverage. We believe the evidence submitted does not warrant this conclusion, but that the testimony of numerous physicians, scientists, and social workers proves beyond any reasonable doubt that beer of this alcoholic content is not intoxicating.

"There are a large number of affidavits taken for use in a case tried before the Supreme Court, a large number of affidavits of physicians all over the country in favor of the contention that 2.75 per cent beer was not intoxicating."

In answer to this, Senator GLASS, of Virginia, Democrat, says:

"The Senator reads us authority of some man supposed to be qualified to speak, and he tells us that the beer drunk in Germany does not disable a man; that it does not put him in that state of intoxication where he is unable to walk or to talk. Nobody here now knows whether the beer proposed by the Senator from Connecticut is of that sort or not. If it makes a man so tipsy that he can merely reel, but can not walk, I am against it. If it makes a man so tipsy that he may ejaculate, but can not speak intelligently, I am against it. Until some authorized commission, after a careful investigation—not with a view to determining the question one way rather than another, but an authorized commission charged with the solemn obligation of reaching a fair scientific conclusion—determines what is the alcoholic content of an intoxicating beverage, I deny the right of any Senator to undertake to say that I challenge my party platform because I do not vote for what he wants done.

"So far as challenging a platform is concerned, if the purpose of the Senator from Connecticut is to embarrass Democrats upon this question, I want to say to him that he can not embarrass me. I regard my oath and obligation here as to the State of Virginia, and it can not be touched by any frenzied political assembly anywhere on earth. I am going to vote as my judgment and conscience dictate, and not as any party platform may undertake to determine for me.

"But I say to the Senator again he is not constituted as the authority for the Senate, and no other Senator is, and I do not intend to touch the Volstead Act until some authorized commission, after a fair investigation, shall determine the question for us."

If, therefore, we are to judge from the debate in which several Democratic Senators participated, we find that they do not consider themselves literally bound by the Democratic platform and that, on the phraseology of a repeal or substitute amendment, they will vote as they please and in accordance with what they deem to be the views of their constituents.

So far as revenues from beer or other beverages are concerned, both platform planks have left us without a commitment. We have heard much comment about how a repeal of the eighteenth amendment would help us overcome the deficits of the Federal Government. There is no doubt that added revenue could be obtained from this source. But both platform planks, while intimating that needed revenue can be obtained, fail to specify unequivocally that such revenues shall accrue to the Federal Government. If the States are to accept full responsibility for the enforcement of such prohibition as they impose, and both platforms involve some degree of enforcement and regulation to prevent the return of the saloon, then it will be quite logical for the States to preempt such revenues as may accrue. The States have always been alert to impose taxes that appear to be productive, and there is no way at present that overlapping of each other's tax field can be prevented except by constitutional amendment or voluntary agreement. And if burdensome taxes are imposed, history teaches us that speakeasies and surreptitious and unlawful distribution recurs.

Thus there is no absolute assurance under either platform that the Federal deficit will be materially reduced by a tax on beer or other alcoholic beverages; and this is only one of many items that will illustrate to you the point I made at the outset, that there are many unanswered questions about both party planks, and that except for campaign purposes the issue is not so simple as a mere elimination of the eighteenth amendment or modification of the Volstead Act without some program in its place that will convince at least 13 southern or western dry States that they must not block the ratification of the next amendment to the Constitution dealing with the control and regulation of the traffic in intoxicating liquor.

So we may say that as a practical matter neither the Republican platform, which specifically frees its members from such responsibility, nor the Democratic platform actually binds Members of Congress to the idea of making prohibition a party matter and a partisan issue. Those of us who are interested in the solution of prohibition, apart from the vote-catching process that now so intensely occupies the minds of candidates and party managers, can look forward to a constructive approach to the whole question only in the next or subsequent sessions of Congress when the tricks and deceptions of party platforms are not so concretely before us, and when, regardless of party, Congress shall make the first moves toward the objectives agreed upon in both platforms—namely, temperance without the saloon.

Mr. SHIPSTEAD. Mr. President, I want to say a few words before the vote is taken on the joint resolution. Much has been said about the liquor traffic and prohibition under the Constitution. While I am not a constitutional lawyer, I can read the English language at least to my own satisfaction, and I hope some of the constitutional lawyers will not think me presumptuous if I hold some view of my own on the authority of Congress to deal with the matter.

Mr. President, because of the confusion of tongues in dealing with this matter I deem it necessary to say a few words on my own behalf as to why I prefer this joint resolution. It has been customary for men seeking public office and public place to go before the public and assure them that if they can be elected to Congress they will see to it that the people get beer and liquor. I have never seen the logic or the wisdom or the sense in any such kind of campaign. It has always been my understanding that the Congress had no authority or power to deal with the prohibition question so long as it is a part of the Constitution. Congress did not put the eighteenth amendment into the Constitution. Congress can not take the eighteenth amendment out of the Constitution. We come here as the representatives of the various sovereign States. When those sovereign States joined the Federal Union they yielded certain powers to the Federal Government and retained certain powers and certain authority, among which were the powers and the authority that have to do with changing the Constitution. Sitting here as representatives of the sovereign States, we have not been vested with the power of dealing with that question at all. Our sovereign States said in sending us here, "You shall have certain powers; you shall have certain authority to deal with certain questions; but the question of changing the Constitution is one with which you shall have no power to deal, because that we will do for ourselves. We retain that power and we do not delegate it to any Senator or to any Congressman."

The question of prohibition and the eighteenth amendment, its repeal or amendment, is plainly a constitutional question to be dealt with only by the sovereign States. The only way in which it can properly come before the Congress at all is in the form of a resolution providing for the submission of the question to the sovereign States, the only authority that has the power to deal with it. Such a resolution is now here. To refuse to vote to submit the solution of this problem to the only authority that has the power to deal with it by a representative of a sovereign State is for that representative to place himself in a position of superiority to his sovereign and in disobedience to the will of his sovereign that has stated as to this question, "I shall deal with it exclusively; you shall have no power to deal with it."

To refuse to vote to submit a constitutional question to the only authority that has the power to deal with it is not defending the Constitution, which we have sworn to defend, but, on the contrary, it is preventing constitutional machinery from functioning; and, in my opinion, the Senator or Representative who refuses to permit the constitutional machinery to function is violating his oath of office. When we swore to defend the Constitution we certainly took an oath that we would permit it to function. How can it function on a constitutional question unless the representatives of the sovereign States permit it to function?

To carry that idea to its ultimate conclusion, I realize full well that I have no authority, as a representative of the State, to say what my State should do; whether it should repeal or amend the eighteenth amendment. To carry that argument to its ultimate conclusion would mean that I should say, "I will submit this question to my sovereign who sent me here to decide that question according to its own will and pleasure, whether it desires to establish the American saloon or to prohibit it." However, my personal aversion for the American saloon is so intense that I very much prefer to vote for an amendment that will prohibit the return of the so-called American saloon rather than to vote for an amendment that simply repeals the eighteenth amendment and then leaves the door open for the return

of the saloon. I may be guilty in expressing that point of view of lese majeste to my sovereign State, that I sincerely believe possesses the only right and the only power to deal with the question.

Certainly the adoption of the eighteenth amendment has not solved the drink evil. I do not know what the solution is, but, in my representative capacity, I realize, at least to my own satisfaction, that in my sovereign State there reposes the only authority and the only power to deal with it in the last analysis. The power to deal with it has not been delegated to me; it has not been vested in me.

A resolution dealing with the question of submitting the question of the repeal of the eighteenth amendment to the only authority that has the power to deal with it does not even require the approval of the President of the United States. Therefore, it has always seemed ridiculous to me to conduct a campaign for the office of the President of the United States on a question of prohibition or anti-prohibition, when whoever may be elected President has nothing to do with the question at all and has no power over it. All the President is required to do is to enforce the law under the Constitution as the Congress sees fit to say what the law is.

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

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

Mr. SHIPSTEAD. I yield.

Mr. WAGNER. Does not the Senator think that the country is entitled to know the views of the candidate for President upon this very important subject?

Mr. SHIPSTEAD. I think the people of the United States are entitled to know the position and the views of every candidate for public office on questions with which those candidates, if elected to office, have power and authority to deal. I can not see where the President of the United States has any authority to deal with the question of the repeal or the amendment of the eighteenth amendment. His duties are confined to the enforcement of the law whatever it may be.

Mr. WALSH of Massachusetts. Mr. President, if the Senator will yield, has not the President the duty of advising the Congress as to the state of the Union, and if he is convinced that the eighteenth amendment is wise and is being properly administered to say so, and, if it is a failure, to say so?

Mr. SHIPSTEAD. I think that is all right; yes.

Mr. BORAH. There is a divided opinion as to that. He might be unsafe in his position.

Mr. SHIPSTEAD. If, in his judgment and conscience, he thinks he ought to deal with it, he ought to deal with it as he deals with any other public question that comes within the authority and power of Congress to enact legislation.

Mr. WALSH of Massachusetts. But to that extent he ought to have an opinion on it.

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

Mr. SHIPSTEAD. I yield.

Mr. TYDINGS. Does not the Senator feel that the country will progress faster and will be led more correctly when the leader of the Nation, regardless of party, speaks out on the great questions about which everyone is thinking?

Mr. SHIPSTEAD. Well, I am so old-fashioned that I think leadership comes from the people. I have never subscribed to the idea that any one individual has sufficient intelligence to do the thinking for the American people. I am so old-fashioned in my ideas—most people think they are new—that I think the President and Congress should be obedient to the will of the people as expressed by the people. I have seen so much of leadership that I have not much confidence in it.

Mr. TYDINGS. Will the Senator yield again?

Mr. SHIPSTEAD. Yes.

Mr. TYDINGS. When the people are divided and are talking about a great public question which is an issue in the campaign, on which they are violently divided and on which there is a plank in the platform of each party, does the Senator not then think that the men who aspire to the highest office on the platforms and represent the parties should speak their opinions on the great public questions in the campaign?

Mr. SHIPSTEAD. I take it for granted that every man will follow his own conscience. I can only repeat what I said, that on questions in which a public official, if elected to office, has power and authority to deal, he should explain his position and his views to the people. I do not think I have anything more to say.

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Haltigan, one of its clerks, announced that the House had receded from its disagreement to the amendments of the Senate numbered 46 and 47 to the bill (H. R. 12280) to create Federal home-loan banks, to provide for the supervision thereof, and for other purposes, and concurred therein.

The message also announced that the Speaker pro tempore had affixed his signature to the enrolled bill (H. R. 12280) to create Federal home-loan banks, to provide for the supervision thereof, and for other purposes, and it was signed by the Vice President.

Mr. BORAH. Mr. President, in view of the action of the House, is there any further action necessary on the part of the Senate?

The VICE PRESIDENT. No further action is necessary.

PROHIBITION—CONSTITUTIONAL AMENDMENT

The Senate resumed the consideration of the joint resolution (S. J. Res. 202) proposing an amendment to the Constitution of the United States relative to the eighteenth amendment.

Mr. BROOKHART obtained the floor.

Mr. TRAMMELL. Mr. President——

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

Mr. BROOKHART. I yield.

Mr. TRAMMELL. I have tried to get the floor for the last hour or two in order to endeavor to have some business transacted by the Senate. I want to ask the Senator from Iowa if he does not think it would be a very good idea to set aside the pending matter and try to consider a measure which we might get through which has already passed the House? We have discussed the liquor question now for about 11 hours to-day, and I do not think there is anybody here who has the least hope that we will get any vote on the proposition before adjournment.

Mr. BROOKHART. I should like to discuss it for about 15 minutes, somewhat along the line of the suggestion of the Senator.

Mr. TRAMMELL. I want to vote on the amendment if it shall come to a vote; I will vote for some reasonable amendment; but we are not headed that way now. We are just headed for a wrangle, with everybody telling about his views and his ideas. I do not imagine anybody has been very much edified by this 11 hours of discussion to-day.

Mr. BROOKHART. Mr. President, the Senator from Michigan [Mr. COUZENS] showed that there have been some 2,000 pages of material upon the liquor question put in the CONGRESSIONAL RECORD at this session. Both of the great conventions spent the major part of their time discussing the liquor question, and we have spent most of this day in the Senate on the liquor question.

Mr. President, this occurs at the time of the greatest depression in the memory of man; all this discussion about booze occurs when there are 10,000,000 people unemployed and perhaps 20,000,000 people needing bread. The situation that demands the real attention of Congress has not had the attention of Congress during this session; the real problem that confronts this country has been ignored; and instead we have fooled away a large part of the time discussing the question of booze, more booze, and all kinds of booze.

Mr. President, a few days ago, on July 9, there was a statement published in Collier's from Owen D. Young which points out the trouble in this country, I think, truly and correctly. He is the first financier I have noticed in the whole country who got it through his square head what was wrong with the country. This is what Mr. Young said:

The farmer's credit is exhausted; his purchasing power is gone; he can not buy the things industry produces; he can not pay for those he has already bought, in fact; and industry stagnates. That, I honestly believe, is the main thing that is the matter with the United States.

That, Mr. President, is the main thing the matter with the United States. But what consideration has that great question received at this session of Congress?

Mr. NORBECK. Mr. President——

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

Mr. BROOKHART. I yield.

Mr. NORBECK. I merely wish to ask the Senator from Iowa how long he thinks it will take for the other squareheads to get it through their heads? [Laughter.]

Mr. BROOKHART. Well, it will take until the bonus army reaches probably 200,000, until probably 200,000 or 300,000 more farmers show up, and 300,000 or 400,000 laborers show up, and by that time it will begin to get through the heads, and the skin, too, of some of the people who must talk booze and who see nothing but prosperity in an evil of that kind.

Mr. President, I am not going to discuss the farm problem in detail again. I have done it several times during this session. I am going to refer a little bit to this liquor question.

I want to say, first, that practically every one of the allegations of my distinguished friends from Connecticut and from Maryland about the effects of prohibition is not justified by the facts. Every one of those conclusions is manufactured imaginary stuff that is set up and emphasized continuously for political effect in this country. The Senator from Connecticut will tell you that crime has increased and drunkenness and intoxication have increased under prohibition. I am only going to quote from the World Almanac of 1932 the figures for New York City. They show that for the five years 1912 to 1916 New York City had an average of 23,404 intoxication cases. That was on 5,000,000 of population and a little over. Then in the five years from 1926 to 1930 the same almanac shows it reduced to 12,010, with over 6,000,000 population. That is in the city of New York itself, supposed to be the worst spot in all the United States; and the result of prohibition right in New York City is a tremendous success when you get down to the actual facts. You can go through every one of these cases and you will find the figures come out the same way every time; but you will never get the facts from these people that are talking wet all the time.

They tell you that the young people are drinking more and that there is more drunkenness amongst them. Well, a survey was made of the colleges of the United States, and here is the result and details of 255 of them:

Three reported drinking conditions worse.

Seven reported drinking among students bad.

Eight reported no change.

Forty-seven reported that drinking among students is unknown.

Forty-four reported no drinking among students.

One hundred and forty-six reported a decrease in drinking under prohibition.

Those are the facts all the way through when you get them. There is not a single proposition but that comes out that way when you come down to the honest, truthful facts.

This talk to the effect that drinking is worse and everything is worse is manufactured stuff. It is a dilution of the facts. It is a pollution of the truth. It is a poisoning of the facts. There never was such a system worked up in the history of our country as is worked up at the present time in the United States; and who is responsible for that? The same crowd that are responsible for putting us down deep in this depression, the same crowd that have brought agriculture to this condition, are out now covering up their doings and their acts with propaganda of this sort.

I have here a letter which I received myself just a short time ago from Pierre S. du Pont, and in that letter he said:

If the United States adopted the British system of licensed sale of intoxicating liquor, and if the people of the United States were willing to content themselves with the same amount of liquor per capita as do our British cousins, and if our Federal Government imposed the same rate of taxation as prevails in England, we would have within 10 years collected in taxes sufficient to pay off our entire national debt of some $20,000,000,000; or, to put it another way, we should now have no need for income taxes for the purpose of debt payment, as liquor taxes to the amount of some $2,000,000,000 a year would be available for the current purposes of the Government.

That is the type of financial men in this country that has helped stir up this liquor agitation and put out all this false propaganda against the very great success of prohibition in the United States; and why? First, they want you to forget what they have done to this country to bring it into this depression. Next, they want to tax beer and put that over on the backs of the people who drink beer and crawl out of their own income taxes. That is the selfish, sinister purpose behind all of this prohibition movement in the United States.

Think of $2,000,000,000 of taxes being collected in that way! That means the expenditure of seven to nine billion dollars of the earnings of the people of the United States for booze to collect any such amount of taxes. Any business man who has one grain of sense knows that that would come out of the legitimate business of the country and go into this hellish business that has done more damage to the human race than anything else in all the history of the human race.

Mr. President, everybody in this discussion has said that the saloon is bad. Everybody is looking out for some way to head off this thing called the saloon. What is bad about a saloon? It is not the counter. It is not the chairs. It is not even the spittoons. It is the alcohol that is sold in the saloon in the form of intoxicating liquor. The alcohol is the evil of the saloon; and it is a foolish thing to come around and say, "We will shut out the saloon and let the alcohol in."

Mr. President, nobody denies that there are evils under the prohibition law. There never was a liquor law passed that was not violated by the liquor men. Speakeasies are now described as the present covered-up, secret saloon; but, Mr. President, when Chicago had 7,000 licensed saloons under the laws of the State of Illinois she had 12,000 Government licensed blind pigs running in violation of the laws of Illinois; and a similar situation was true in New York and in Cleveland and in all of these great cities. When we had legalized liquor, we had illegal liquor at the same time.

Mr. LEWIS. Mr. President, do I understand the eminent Senator from Iowa to intimate that there is intoxication in Illinois and the city of Chicago?

Mr. BROOKHART. I did not understand the Senator's question.

Mr. LEWIS. I asked the eminent Senator from Iowa, whose splendid lecture upon the prohibition question is interesting me very much, does he mean to intimate from information or from personal observation that there is such a thing as intoxication in the State of Illinois, or drinking in the city of Chicago? [Laughter.]

Mr. BROOKHART. Well, I was over not long ago at Hull House, and Jane Addams said to me there was no comparison between the conditions in the city of Chicago now with the saloon days, and that most of the drinking was gone even in the worst part of Chicago. I would trust the word of Jane Addams even above that of the very eminent Senator from Illinois. [Laughter.]

Mr. LEWIS. May I ask the distinguished Senator if it is not a fact that while he was delivering a lecture lately in my city of Chicago and calling attention from his point of morality to the fact that if he had his way he would take all the wine, beer, and liquor and he would cast it into the Great Lakes, when some one applauded him in the back of the audience and the eminent Senator from Iowa said, "Oh, my friend, are you, too, a prohibitionist?" and he replied, "No; I am a deep-sea diver." [Laughter.]

Mr. BROOKHART. The story is a good one, but it is an imaginary story. As I remember that story, it is older than the whiskers of the Senator from Illinois. [Laughter.]

Mr. LEWIS. Then, if the Senator has any memory on the subject, and it is to be paralleled by what he has applied to my appendage, I am compelled to say to the Senator that there are some other faces which are very much like certain people's heads—the older they grow, the more devoid of growth they show. [Laughter.]

Mr. BROOKHART. It is too bad that we can not accept the ravages of age.

Mr. President, I want to agree fully with the Senator from Massachusetts upon his claim that this country will never unconditionally repeal the eighteenth amendment. Therefore, I think the Democratic platform is the most desirable platform upon this subject, because it is easier to beat it than it is the other. There is no camouflage about it. We know that the drive is straight for the repeal of the eighteenth amendment. I do not believe 36 States in this Union will ever agree to that.

The repeal of that amendment means sending this country back to chaos so far as the liquor is concerned; and, again, the development of the automobile in this country makes it impossible and unthinkable that we should increase the use of intoxicating liquor in our country, anyway. The reaction from that will be so strong that these men, these Senators and these Congressmen, these politicians, who are agitating for the nullification of the law, will bitterly regret their words.

I say to you who stand on this floor and talk against the Constitution and its enforcement, you are responsible for a large portion of the violation of this law. Take that right home to yourselves. You have no business to come and take the attitude toward the Constitution and law of your country that you have been taking right on the floor of the Senate. You have been encouraging the violators. You have been partners with the bootleggers themselves. Now the time has come, I think——

The VICE PRESIDENT. The Chair must warn the Senator that under the rules he has no right to make reflections of that kind upon a brother Senator.

Mr. BROOKHART. Well, Mr. President, if it is any violation of the rule, I will withdraw it and then see if I can not get the rule amended so that I can put it in. [Laughter.]

So, Mr. President, in conclusion I want to say that we are ready for the fight upon this question. The people who believe in prohibition and in temperance have not surrendered, and they are ready to face you on an election in this country; and when it is over you will find that the eighteenth amendment will not be repealed.

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Haltigan, one of its clerks, announced that the House had passed a joint resolution (H. J. Res. 479) making an appropriation for the Federal Home Loan Bank Board for the fiscal year ending June 30, 1933, in which it requested the concurrence of the Senate.

EMPLOYMENT OF LANDSCAPE ARCHITECTS, ETC.

Mr. NORBECK. Mr. President, I am not going to burden the Senate with a speech on prohibition or any other matter. I have a little bill here that has been overlooked that will actually save the Government a few dollars this year. It is a bill giving a little leeway to the Director of Public Buildings and Public Parks in the employment of architects and engineers, so that he does not have to put a whole staff on. He can hire a man for a week or a month or lay him off. Colonel Grant is very much interested in it. The bill has passed the House; and my bill, which was the same bill, was approved by the Library Committee of the Senate. Inadvertently the House bill was referred here to another committee; but with the consent of the Senator from New Hampshire [Mr. KEYES], I ask unanimous consent that it be taken up and passed at this time.

Mr. TRAMMELL. Mr. President, may I ask the Senator if that is the House bill?

Mr. NORBECK. It is the House bill.

The VICE PRESIDENT. The bill will be read.

The legislative clerk read the bill (H. R. 10372) to authorize the Director of Public Buildings and Public Parks to employ landscape architects, architects, engineers, artists, or other expert consultants, as follows:

Be it enacted, etc., That the Director of Public Buildings and Public Parks of the National Capital be, and hereby is, authorized to employ in his discretion by contract or otherwise landscape architects, architects, engineers, artists, or other expert consultants, or firms, partnerships, or associations thereof, including the facilities, service, travel, and other expenses of their respective organizations so far as employed upon work for the said director, in accordance with the usual customs of the several professions and at the prevailing rates for such services, without reference to the civil-service requirements or to the classification act of 1923, as amended, and without regard to the restrictions of law governing the employment or salaries of regular employees of the United States, which said employment shall in no instance be for a longer period than one year; and that the expenditures for such employment shall be construed to be included in any appropriation heretofore or hereafter authorized or appropriated for any work of the Director of Public Buildings and Public Parks of the National Capital.

The VICE PRESIDENT. Is there objection to the present consideration of the bill?

Mr. TRAMMELL. Mr. President, is it contemplated that this will save any money to the Government?

Mr. NORBECK. Mr. President, I thought I made that clear. One of the weaknesses in connection with Government work is to have to employ one steamfitter, one plumber, one carpenter, one painter, when perhaps all that is needed is a handy man all the time, and one of the other men may be taken on occasionally. There is generally a large staff, and they have to be put on the pay roll and draw retirement pay. They are short of funds this year, and that is, I think, why they are here.

Mr. TRAMMELL. I think it is very welcome legislation, if it will save the taxpayers anything. My reason for making the inquiry was that I noticed in the press some time ago about the enormous amount of money that was being expended on account of public buildings, for architects. I feel that we have been recreant in the performance of our duty and not trimming off a million or two million dollars in architects' fees in connection with public buildings, and if this would save money I welcome it.

The VICE PRESIDENT. It will be necessary first to discharge the committee from the further consideration of the bill.

Mr. NORBECK. I make that request.

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

Is there objection to the consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which was ordered to a third reading, read the third time, and passed.

DUMPING OF FOREIGN OILS IN THE CITY OF DETROIT

Mr. GORE. Mr. President, I ask that the Senate proceed to the consideration of Senate Resolution 274 submitted by me on the 13th instant. I do not think it will require any time.

The VICE PRESIDENT. Is there objection?

There being no objection, the resolution was read, as follows:

Resolved, That the Federal Trade Commission be directed to complete at the earliest practicable date its final report in relation to the dumping or alleged dumping of foreign oil and gasoline, particularly Russian oil, in the city of Detroit, etc.

Mr. GORE. I wish to modify the resolution.

The resolution, as modified, was considered and agreed to, as follows:

Resolved, That the Federal Trade Commission be directed to complete at the earliest practicable date its final report in relation to the dumping or alleged dumping of foreign gasoline, particularly Russian gasoline, in the city of Detroit, etc.

DISTRIBUTION OF DAIRY PRODUCTS IN THE DISTRICT OF COLUMBIA

Mr. KING. Mr. President, I ask unanimous consent, at the request of the chairman of the Committee on the District of Columbia, to present for consideration a brief resolution directing the committee during the recess to investi-

gate conditions with respect to the sale and distribution of milk, cream, ice cream, and other dairy products within the District of Columbia. It is unanimously reported by the committee.

The VICE PRESIDENT. Is there objection to the present consideration of the resolution?

Mr. COUZENS. I object.

ADDRESS BY JOHN A. SIMPSON, PRESIDENT OF NATIONAL FARMERS' UNION

Mr. THOMAS of Oklahoma. Mr. President, I ask unanimous consent to have printed in the RECORD copy of an address to be delivered over a national radio hook-up July 23, 1932, by John A. Simpson, president of the National Farmers' Union.

There being no objection, the address was ordered to be printed in the RECORD.

The address is as follows:

PLATFORMS

THE LIQUOR QUESTION

Not because it is of the most importance, nor because it is important at all, I shall compare the platforms of the three parties on the liquor question first.

I have a right to say that it is not important at all for the reason that the President of the United States has no official authority or power over amendments to the Constitution of the United States. Article V of the Constitution of the United States provides the methods by which the Constitution may be amended. First, the authority to amend is vested absolutely in the several States. Second, the authority to propose amendments is vested in Congress and in the legislatures of the several States.

This section of the Constitution provides that when two-thirds of the Members of both Houses of Congress propose an amendment to the Constitution it shall be submitted to the States. This means that in order to repeal the eighteenth amendment the United States Senators from 32 States must vote in favor of the proposed repeal. In other words, there must be 64 of the 96 Members of the United States Senate in favor of submitting the question. I am sure those listening in realize the present utter impossibility of advocates of repeal securing 64 votes in the Senate.

One of the peculiar things about a proposed constitutional amendment is that the action of Congress does not go to the President at all for his signature or his veto. An amendment is a joint resolution of the two Houses and when it has a two-thirds majority in the two Houses that settles the question so far as the submission to the States is concerned. A proposed amendment must be ratified by 36 State legislatures or State conventions before it becomes a part of the Constitution of the United States. In other words, 13 States refusing to ratify an amendment repealing the eighteenth amendment would defeat the repeal.

I know I am right when I tell you that the prohibition question is being used in both the Democratic and Republican Parties as a smoke screen to hide theft and robbery of the common people of the country by the international bankers of the Nation. It is used to divert our minds from real issues. It is used to prevent us from devoting our attention to the job of making the ultra-rich take their hands out of our pockets.

The Republican platform on the liquor question amounts to a promise of submitting the question of the repeal of the eighteenth amendment to the States, and at the same time declares they are against the repeal.

The Democratic platform amounts to a pledge that they will submit the question to the several States and a declaration that they favor the repeal.

The Socialist platform on this question is being submitted to a referendum vote of their members. They will be for or against repeal as the vote of their members may direct.

THE MONEY QUESTION

The most important of all questions facing the people of this Nation, as well as of the world, is the money question. It is my charge that neither of the three parties show any courage in their platforms on this question.

The Republican platform promises to defend and preserve a sound currency and an honest dollar. This evidently means to defend the present system. It means they consider a dollar that now buys 4 bushels of wheat, 10 bushels of oats, 20 pounds of cotton, 15 dozen eggs, and 10 pounds of butterfat an honest dollar.

The Republican platform also declares in favor of an international conference to consider monetary questions, including silver.

The Democratic platform promises to maintain a sound currency at all hazards.

It also favors an international monetary conference to include the rehabilitation of silver.

The Socialist platform promises socialization of our credit and currency system and the establishment of a unified banking system.

A nonpartisan analysis must come to the conclusion that there is no difference in the promises in the platforms of the Democratic and Republican Parties on the money question. Both planks could easily have been written by the international bankers. The Socialist platform is obscure and meaningless.

TAXATION

The Republican platform on taxation says the time has come for a reconsideration of our tax systems—Federal, State, and local—with a view to developing a better coordination, reducing duplication, and relieving unjust burdens.

In spite of the fact that the Republican platform contains more than 9,000 words, yet on taxation they give us no definite idea of the adjustments they expect to make. Their promise is simply a generality that means nothing.

The Democratic platform on taxation promises a blanket reduction in Government expenditures of 25 per cent. This is good as far as it goes, but they make us no promise as to who shall be taxed after they reduce Government expenses 25 per cent. The Democratic platform is the shortest ever written. It contains only 1,396 words.

The Socialist platform on taxation is much better and promises to lay the burden of taxation on those best able to pay through income taxes and inheritance taxes. They also promise a constitutional amendment authorizing the taxing of all Government securities.

AGRICULTURE

The Republican platform promises to help agriculture through a continuance of the Farm Board and its policies. They also agree to help farmers by increasing the tariff on farm products, including substitutes. This latter plank, if honestly carried out, could be of great benefit to farmers. Tariff on jute and silk, both substitutes for cotton, would mean a greatly increased consumption of cotton in this country.

The Democratic platform on the subject of agriculture covers the two bills supported by the Farmers' Union and other farm organizations this session of Congress. It promises a refinancing of farm mortgages at low rates of interest on an amortization plan, giving preference to farms and homes sold under foreclosure. This amounts to an indorsement of the Frazier bill. It further promises enactment of such constitutional measures as will secure to farmers prices in excess of cost of production for their products. This amounts to the Farmers' Union allotment plan for the marketing of farm products. It condemns the extravagance of the Farm Board.

The Democratic platform on agriculture is very satisfactory.

The Socialist platform is equally satisfactory on the subject of agriculture. It promises financing for farmers on long terms and low rates of interest. It promises what amounts to price covering cost of production for farm products.

UNEMPLOYMENT

The Republican platform on employment says, "We recommend the constructive work of the United States Employment Service in the Department of Labor. This service was also enlarged and its activities extended through an appropriation made possible by the President with the cooperation of the Congress. It has done high service for the unemployed in the ranks of civil life and in the ranks of former soldiers of the World War."

This is a meaningless promise to the great army of the unemployed. It simply indorses what now exists in the way of Government aid to the unemployed. Under what exists we now have an army of over 10,000,000 jobless men and women.

The Democratic platform on the question of unemployment declares for extension of Federal credit to the several States to provide work for the unemployed. It also pledges expansion of the Federal program of public works, such as flood control, the St. Lawrence-Great Lakes deep waterways, highways, and other public improvements. They also declare for unemployed and old-age insurance under State laws. This is at least partially a satisfactory pledge on unemployment.

The socialist platform is even more satisfactory. It declares for a five billion appropriation to be used in public works to give the unemployed jobs. It declares for a 6-hour day and a 5-day week without a reduction of wages. It declares for unemployment compensation and old-age pensions for both men and women 60 years and over.

CANDIDATES

REPUBLICAN—PRESIDENT

Herbert Hoover is the Republican candidate for President. He was born in West Branch, Iowa, August 10, 1874. His father was a blacksmith in that town. His father died when he was 6 years old and his mother when he was less than 10. As an orphan boy he was cared for, first, by an uncle, Allen Hoover, who lived in Iowa; then he was sent to an uncle in the Indian Territory, a Mr. Miles; and then he was taken in charge by an uncle, John Minthorne, who lived in Oregon. With less than a high-school education he applied for admission to Leland-Stanford University. With determination and a dogged perseverence he graduated from that institution in 1895. He worked as a wage earner in mines in this country for about 18 months. In 1897 he left the United States. He was employed by a big London mining firm to go to Australia, and from that time on he became one of the greatest promoters of mining and oil corporations the world has ever known.

He promoted scores of these, covering every point of the globe. His major activities were in Australia, China, Russia, Africa, and South America. Among corporations which he promoted and of which he was a member of the board of directors as late as 1913, according to the Mining Manual or Red Book of London of that year, are the following: Babilonia Gold Mine (Ltd.), Burma Mines (Ltd.), Burma Trust (Ltd.), Granville Mining Co. (Ltd.), Great Fitzroy Mines (Ltd.), Inter-Argentine Syndicate (Ltd.),

Inter-Californian Trust (Ltd.), Inter-Russian Syndicate (Ltd.), Inter-Yukon Syndicate (Ltd.), Kyshtim Corporation (Ltd.), Lake View and Oroya Exploration (Ltd.), Oroya Leonesa (Ltd.), Russo-Asiatic Corporation (Ltd.), Yuahmi Gold Mines (Ltd.), and Zinc Corporation (Ltd.).

He continued this work until the summer of 1917, when he was called by President Wilson to come from London to Washington to take charge of the administration of food, as provided in a bill passed about the 1st of July that year.

I think we can excuse Mr. Hoover for many of the mistakes he has made on the grounds that he had been away from this country so long that he was not familiar with conditions. I find as early as 1902 he had established a home in London, England. He himself testified before a committee of the United States Senate in 1918 that he had never voted in this country in his life and that his post-office address and home for the 15 years previous had been London, England. Dr. David Starr Jordan, in his own biography, tells of visits he and his wife made to London. I quote Doctor Jordan as follows: "Hoover's London home was our headquarters. We were his house guests there in 1905, 1910, and 1913, staying for considerable periods and making use of the Hoover car for motor jaunts about England." As a further proof that he established a home in England, I quote from Who's Who, edition of 1916 and 1917, page 1200. In this biography Hoover gives, "Home, Red House, Hornton Street, London, England." As further proof that he had a permanent residence in London, I refer you to the July number of Plain Talk Magazine. On page 3 you will find a photostatic copy of the registration records of the Royal Borough of Kensington, certified by the town clerk, Horace Rapson. This photostatic copy shows Herbert Hoover a registered voter in this borough for the years of 1911, 1912, 1913, 1914, and 1915, giving his residence as Red House, Camden Hill, situated on Hornton Street.

Many farmers in the United States were sorely disappointed in Mr. Hoover as Food Administrator of the crops of 1917 and 1918. April 7, 1917, the price of No. 1 wheat, Chicago basis, was $3.25 per bushel. About this time Mr. Hoover landed in Washington from London. He helped promote the Food Administration bill. He testified before the Senate Agricultural Committee in the hearings on that bill that the price fixed would be a minimum price. The bill as finally passed provided that the President of the United States could name the minimum price for the 1917 crop, while the 1918 crop was fixed by the bill at a $2 minimum, No. 1 wheat, Chicago basis. President Wilson named a price-fixing committee for wheat and placed it in charge of Mr. Hoover. I was present during the deliberations of this committee and had daily contact with Mr. Hoover. My contact with him convinced me he knew little about American agriculture. When the minimum price was set at $2.20, No. 1 wheat, Chicago basis, and I complained to Mr. Hoover it was too low, he told me he never expected it to be over $1.75 per bushel. I told him that I had sold my crop as soon as I heard a man from London, England, was coming to take charge of farmers' products. I told him that just 30 days before I received $2.75 a bushel at the elevator in my home town. Mr. Julius H. Barnes was placed in charge of the United States Grain Purchasing Corporation with offices in New York City. He set up a license system under which no one could purchase wheat without first securing a license from his department of Government. Then these licensees were told that they could not pay more than $2.20, Chicago basis, for No. 1 wheat. Thus what had been promised as a minimum price became a maximum price, and my neighbors in Weatherford, Okla., who kept their wheat until the Government regulated the price received about $1.80 a bushel, where those of us who sold before the Government got control received $2.75 per bushel.

The Government maintains a cost accounting department in the Department of Agriculture. They find the cost of producing an average bushel of wheat, average pound of cotton, pork, or beef every year. Doctor Spillman was in charge of this department in 1917, and his report on wheat shows that the average cost of 1917 wheat was $2.48 per bushel. Thus by restrictive legislation, under the administration of Mr. Hoover, the American wheat farmer was compelled, during the war, to sell his wheat at 68 cents a bushel less than the Government showed was cost of production. The same loss was shown for the 1918 wheat crop.

The most charitable view we farmers can take in this matter is that Mr. Hoover's long absence from this country and his work of promoting big corporations left him completely uninformed on all agricultural questions and the needs of the farmers of this Nation.

Mr. Hoover, as President of the United States, is influenced by those years and years of training in developing big business. In promoting giant corporations he has unconsciously reached a place where he looks at everything from the angle of bigness and greatness. Unconsciously, he has come to a conviction of judgment that all things small are uneconomic. He believes in big-unit farming as against small home-owning farmers. He believes in merchandising on a large scale as against the small-town merchant. He believes in big banking institutions as against the little home-owned bank in every town and hamlet.

When there was danger that the big banks of the cities might fail as had 10,000 little country banks; when there was danger that the big life-insurance companies might collapse; when the railroads of the country were unable to pay their taxes and interest on their mortgages, President Hoover, viewing things as his training had taught him to view them, rushed a bill through Congress appropriating over $2,000,000,000 to save these institutions of big business. In contrast, a million farmers losing and about to lose their farm homes are left without aid. To our President, the importance of saving a railroad completely overshadows the importance of saving the farmers of the Nation.

VICE PRESIDENT

Charles Curtis, Vice President of the United States and candidate for reelection, is 72 years old. He is of Indian blood and reared on an Indian reservation. As a boy he was a horse jockey. He served in Congress and the United States Senate for many years.

His record in Congress so far as agriculture is concerned is mostly good. However, as between agriculture and fidelity to his party he always sacrificed agriculture.

DEMOCRAT—PRESIDENT

The Democratic Party offers as its candidate for President Gov. Franklin D. Roosevelt, of New York. Governor Roosevelt is a member of the famous Roosevelt family of which President Theodore Roosevelt was also a member.

I visited in the home of Governor Roosevelt one Sunday last March. I found him living in the house where he was born. This house is on a farm just out of the little town of Hyde Park. Hyde Park is about half way between New York City and Albany. It is about 80 miles from Hyde Park to New York City and the same distance to Albany. Governor Roosevelt's greatgrandfather built this house. The farm has been in the family for more than 100 years.

I found Governor Roosevelt thoroughly conversant on all agricultural subjects, including a knowledge of the various farm organizations of the past 50 years. He is a member of the Grange, and told me if there were a Farmers' Union near him he would be a member. He understands and believes in our National Farmers' Union legislative program. All this is a very good background for a presidential candidate.

In public life he served for a long time in the legislature of his State. He served under President Wilson as the Assistant Secretary of the Navy. He is Governor of New York, and serving his second term. He was elected the second time in 1930, receiving a majority of 750,000 votes, the largest majority any State officer in the State of New York ever received, either Democrat or Republican.

As governor of New York he has shown himself to be very progressive. He has supported and secured legislation on unemployment to the extent that, outside of New York City, New York State has more nearly solved this question than any other State. He forced through a Republican legislature a 100 per cent increase in State personal income tax rates. He forced a Republican majority in the legislature to accept the principles of State power plants and with the distribution of electricity by private companies rigidly supervised as to rates.

There is no question about Governor Roosevelt being much more progressive than the Democratic platform upon which he runs. In his acceptance speech in Chicago given to the delegates who nominated him, he developed and elaborated on the agricultural and unemployment planks in a way that shows he will interpret them very liberally in behalf of the common people of the country.

For many years I have been a member of the National Popular Government League with headquarters in Washington, D. C. Mr. Judson King is in charge of the headquarters of this organization. I consider him the best posted man in the United States on power questions. The National Popular Government League has as officers such men as Senator GEORGE NORRIS and ex-Senator Robert L. Owen. This organization recently issued a bulletin giving the power record of Mr. Hoover and the various candidates for nomination in the Democratic convention. His report shows President Hoover very friendly to the Power Trust. His report shows Governor Roosevelt very friendly to the people who buy the products of the Power Trust. Mr. Judson King, in this report, gave Governor Roosevelt's record as the best of any of the candidates seeking presidential nomination in either party. You can receive copy of this report by writing Judson King, 637 Munsey Building, Washington, D. C.

If you will watch the press dispatches you will observe that big business everywhere is against Franklin D. Roosevelt. They know that he will not play the part of a rubber stamp for big business. Big business is against any person seeking public office who refuses to be their rubber stamp.

VICE PRESIDENT

The vice presidential candidate on the Democratic ticket is JOHN N. GARNER, Speaker of the House of Representatives. Mr. GARNER has served 30 years in Congress. Before being Speaker of the House he was chairman of the powerful Ways and Means Committee of the House of Representatives.

He was born and reared a farmer and ranchman. He lives in a district composed entirely of country towns, farms, and ranches. There is not a city in his district. He has been reelected every two years for the last 16 years without even making a campaign or sending out printed speeches or any kind of literature under his congressional frank.

His environment has always been such that his sympathies are strictly with the common people. An indication of how he feels toward his position as Speaker of the House is indicated by his act in refusing the car and chauffeur always furnished the Speaker by the Government. He said, "This will cost the Government $5 per day to take me to the Capitol and back when I can go in a taxi for 20 cents."

I have no criticism of the record of JOHN N. GARNER, except he is not as aggressive as the Farmers' Union would like to have a

Congressman be. In my six weeks in Washington I found him to be one of the hardest working Members of Congress. I found him also practicing economy in governmental affairs.

He is a product of the soil—farmer, cowboy, and country lawyer. He is well qualified to fill the position of Vice President of the United States.

SOCIALIST—PRESIDENT

Norman Thomas is the candidate of the Socialist Party for President of the United States. He was a student at Princeton under Woodrow Wilson. Before this he was a worker for Warren G. Harding as a newsboy on the Marion Star at Marion, Ohio. He was a preacher of the Presbyterian faith in his young manhood. He is an author of note and a recognized scholar. He is progressive in his views. He is an orator that holds the attention of even an unfriendly audience.

VICE PRESIDENT

James H. Maurer, of Pennsylvania, is the vice presidential candidate on the Socialist ticket. He has been connected with labor unions all his life. He served a number of years in the Legislature of Pennsylvania, also served for five years as a commissioner in the city of Reading. His record as a public official is good and he is recognized as an honorable citizen and a dependable official.

In closing this part of my talk to-day, I call your attention to the fact that the Mellons, the Morgans, the J. Ogden Mills of this country are all ardent supporters of Herbert Hoover.

I also call your attention to the fact that the Senator Norrises, the Senator Wheelers, the Senator La Follettes of the United States are ardent supporters of Gov. Franklin D. Roosevelt.

"Birds of a feather flock together." "A man is known by the company he keeps."

Again, let me admonish you that prohibition is not a partisan question, neither has it any place in a campaign to elect a President or Vice President of the United States. Do not be deceived by those who rob the common people by letting them get us into a dispute among ourselves over this question that can not be settled in any measure in this election. Rather seek the truth as to which candidates are sound in their economic views on the questions involving the welfare of the common people of the country as against the big bankers of the Nation.

PRESENT CONDITIONS AND FUTURE PROSPECTS

Each month this year has seen conditions grow worse. For the purpose of this radio talk, the 15th of this month, I obtained prices from 10 shipping points scattered over the State of Oklahoma.

I found the average price of oats to be 8 cents a bushel. In other words, one bushel of oats would buy two postage stamps and two post cards. I found the average price of wheat to be 25 cents per bushel. I found an 8-foot grain binder priced to farmers at $250. If a farmer wanted a grain binder, he would have to sell 1,000 bushels of wheat to purchase it.

I found the price of butterfat to be 10 cents per pound. In the grocery stores standard brands of coffee are selling at 38 cents a pound. It takes nearly 4 pounds of butterfat to purchase 1 pound of coffee. Eggs averaged in these 10 towns 6 cents per dozen. For a farmer to buy a good toothbrush he would have to sell 8 dozen eggs, and then he would owe 2 cents. The prices of choice friers in these towns averaged 10 cents per pound, or 20 cents for a 2-pound frier. It takes seven of these nice friers to buy a good pair of overalls. These same friers when served in the eating places in these little towns bring $1 each and in the high-priced eating places of the cities as much as $3 each.

I found cotton selling for 4 cents a pound. I found 1 pound of this cotton made into a shirt bringing $1.60. In other words, a farmer must sell 40 pounds of cotton in order to buy back 1 pound in a shirt.

I found by visting the courthouse in my county that taxes on farms average five times as high as they were 30 years ago.

No wonder railroads are bankrupt and banks are closing their doors, when farmers get 8 cents a bushel for oats, 4 cents a pound for cotton, 25 cents a bushel for wheat, and proportionate prices for all their products.

These are the present conditions. The future gives little hope of improvement. The army of the unemployed increases, which means further reduction in the consumption of farmers' products. Farmers' prices are so low that they have ceased to be purchasers of manufactured products.

THE IOWA FARMERS' HOLIDAY ASSOCIATION

The reports from Iowa lead me to believe that the Farmers' Holiday Association of that State is meeting with success. They not only organize the farmers but they organize the business men of the small towns. The farmers agree not to sell any of their products at less than cost of production and the business men agree that they will buy of the farmers on that basis, at least to the extent of the needs of the town. The organization is spreading to Nebraska, the Dakotas, Minnesota, and Wisconsin. It promises to cover the whole mid-west agricultural section of the United States. Those desiring to know more about this organization should write Milo Reno, Des Moines, Iowa, president of the association.

In conclusion let me urge all farmers to seek admission into their own class organization. Let me urge citizens in every avocation of life to make a most careful nonpartisan investigation of the candidates for President and Vice President in this campaign. I urge you to let nothing but the best interests of the common people of this Nation guide you in arriving at a decision as to whom you will support and vote for.

I am not sure that the National Farmers' Union will be able to have this talk printed and put in pamphlet form. However, if we do, all those writing in requesting copies will be furnished.

Again I thank you for your cooperation throughout the year of 1932 and remind you that I will be broadcasting again the fourth Saturday in each month from 12.30 to 1.30 eastern standard time. The next broadcast will be Saturday, August 27.

Remember all mail should be addressed to John A. Simpson, Kankakee, Ill.

I thank you.

EXCLUSION OF ALIEN COMMUNISTS

Mr. TRAMMELL. Mr. President, we have spent a great deal of time to-day discussing various amendments relative to the repeal of the eighteenth amendment, and I have seen no evidence on the part of anyone who has spoken that has indicated a desire to vote upon this question. The desire to vote has been apparent only on the part of those who have remained silent. A majority of us have remained silent all day and hoped we would get a vote on the proposition. I doubt whether those who have occupied about 11 out of the 12 hours we have been in session, none of whom have assisted in expediting the situation, desire to have a vote, and I do not believe we are going to get a vote on the question before we adjourn.

For that reason I would like very much to get up a bill which has already passed the House, which has been in the Senate for a month, reported favorably by a committee, and, according to my viewpoint, it does not seem that it would require much time.

I refer to House bill 12044, to provide for the exclusion and expulsion of alien communists. I would like very much to get this bill considered, and I request that it be considered at this time.

The VICE PRESIDENT. Is there objection?

Mr. BORAH. I object.

Mr. TRAMMELL. Mr. President, of course the Senator has his reasons for objecting. On the other hand, I have my reasons for attempting to bring this measure before the Senate. I feel that this legislation should pass at this session of Congress. I think there is a very bad influence in this country in the nature of alien communists, who are spending their time trying to prejudice the minds of American citizens by the advocacy of policies very contrary to the American standard of government, and while I firmly believe in the right of freedom of speech and the right of the freedom of the press, that does not mean a license on the part of foreigners to come to this country and preach the overthrow of our Government by violence and force. That is all this measure seeks to correct and to punish—the advocacy by aliens of a policy of violence and of force for the overthrow of our Government. As far as I am concerned, I do not care to encourage that kind of conduct here in this country and think it our duty to stamp out such un-American conduct.

The report that was made by the House committee on this subject—and the bill passed the House more than a month ago—says that upon an investigation it was found that of the communists in this country, 70 per cent of them are aliens—70 per cent, if you please—that 20 per cent of them are naturalized citizens, and only 10 per cent of those who are affiliated with this movement against our Government, our traditions, and the policies of our Republic, and going to the extent of advocating its overthrow by force and violence, only 10 per cent, including both white and black, are native-born Americans.

I do not see why the Senate should not take a few moments to pass this bill. It would give us some very much needed legislation. It is recommended by the Department of Labor; legislation of this character is indorsed by the American Federation of Labor, the American Legion, the Daughters of the American Revolution, and by practically all the patriotic organizations of the United States. Yet you have just rocked along here in the Senate and given it no consideration, and upon every effort to take it up some one Senator

has objected. We have occupied 11 hours to-day in a little moot-court proposition over the liquor question, when I do not think anybody had a hope of getting a vote on it. When we seek to have taken up a matter of serious character like this, involving American policies, the protection of the Government and its citizens, we can not get it considered. It has been lying here for over a month.

I am very generous in the matter of freedom of speech, very generous in the matter of freedom of the press, but I am not generous with aliens who come to this country and remain unnaturalized, going around and preaching false doctrines and the overthrow of this Government by violence, and I think that in protection of our country and the freedom and the liberty which American citizens have always enjoyed we should pass the necessary legislation, which was suggested in the first instance by the Department of Labor, and, as I have said, is indorsed by the American Federation of Labor and the patriotic organizations of our country generally.

These influences can not accomplish anything, and I think that while some people say, "Oh, well, it does not amount to anything; just let them go ahead," I believe it does amount to something. Take the question of the assembly of the so-called bonus marchers in the city of Washington. No one has a greater sympathy for these poor, unfortunate people, most of whom are out of employment, most of whom need assistance from some source. As far as I am concerned I would be willing to have Congress remain in Washington and, in fact, I would be glad to have it do so in order to give them a cash settlement on their compensation certificates; but take the movement of the ex-soldiers coming to Washington, the "bonus marchers," it is claimed, and it is published in the Washington papers, that that movement was inspired by the communists, by the radical element of the communists, and I have never seen that denied. I do not mean that it is directed by them now.

I am very glad and thankful to say that in a general way those who have been at the head of this gathering here since they have arrived in Washington have maintained themselves, as far as I know, in a patriotic way, and they deserve a great deal of credit for the way in which they have handled the situation. Of course, I have no sympathy for the man who says that he is going to have his bonus if he has to have it by storming the Capitol. I do not approve any such conduct as that, and I have been very glad to see that the leaders among the bonus marchers and a large majority of the veterans here have not advocated or approved any such radical or violent proposal as that. They have conducted themselves as true Americans. But, after all, it was published in the Washington papers and throughout the country that the movement was inspired among the communists, the radical elements of the communists. This merely demonstrates the tactics to which the communist will resort.

I do not mean that any goodly number of these men here belong to that organization. It is very plain that they do not, and I am sure that a very large majority of the ex-service men who have assembled here in Washington disapprove of the communist movement, and I guarantee that if a ballot should be taken among these veterans here, whom we all know were faithful to their country, 90 per cent of all of them would approve of the very character of legislation which I am seeking to get enacted here to-night.

I very much regret that we can not have this bill passed upon on its merits.

COST OF BUREAUS AND COMMISSIONS

Mr. HALE. Mr. President, the feeling is very prevalent in the country that our Government is wasting a good deal of money on independent bureaus and commissions. At my request the very competent clerk of the Committee on Appropriations of the Senate, Mr. Rea, has compiled a list of these independent bureaus and commissions, and the amount of appropriations made for them during the current year.

The figures show that there are 73 of these bureaus and commissions, and, leaving out the Veterans' Bureau and the Reconstruction Finance Corporation, the amount we have appropriated for keeping up these various commissions during the current year is $45,722,000.

Mr. NORRIS. Mr. President, does that list include the Interstate Commerce Commission?

Mr. HALE. Yes; it does.

Mr. NORRIS. Does it include the Federal Trade Commission?

Mr. HALE. It does.

Mr. NORRIS. Does the Senator want to abolish all of them?

Mr. HALE. No. I am simply giving the amounts we are spending on these commissions during the current year.

Twelve of these commissions and bureaus take up more than $40,000,000 of the $45,722,188 appropriated, and these 12 are the Civil Service Commission; the Employees' Compensation Commission; the Federal Board for Vocational Education, which includes $10,000,000 which we have appropriated to be divided among the States; the Federal Trade Commission; the General Accounting Office, that is, the office of the Comptroller General; the Federal Reserve Board; the Interstate Commerce Commission; the National Advisory Committee for Aeronautics; the Office of Public Buildings and Public Parks; the Smithsonian Institution; the Supreme Court Building Commission; and the United States Tariff Commission.

The remaining five million and odd dollars appropriated to take care of about 60 commissions and bureaus. I think these figures will prove of interest to the Senate and will show that we are not as profligate in our expenditures as we are accused of being. I ask unanimous consent that the table may be printed in the RECORD.

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

The table is as follows:

Table of independent and semi-independent establishments, boards, and commissions of the Federal Government, showing the acts under which their appropriations are made, the amount of 1932 and 1933 appropriations, and references to the authority by which they were established

Organization	Appropriation act	Appropriations		Authority by which established
		1932	1933	
Advisory Council for the National Arboretum	Agricultural act	$30,000.00	$5,000.00	Created by act of Mar. 4, 1927 (44 Stat. 1422).
Alien Property Custodian				Created by act of Oct. 6, 1917 (40 Stat. 415).
American Battle Monuments Commission	Independent offices act	304,250.00	275,000.00	Created by act of Mar. 4, 1923 (42 Stat. 1509).
Arlington Memorial Amphitheater Commission				Created by act of Mar. 4, 1913 (37 Stat. 882, sec. 14).
Arlington Memorial Bridge Commission	Independent offices act	1,000,000.00	340,000.00	Created by act of Mar. 4, 1913 (43 Stat. 974, sec. 23).
Board of Road Commissioners for Alaska	War Department act	800,000.00	[1] 494,310.00	Created by act of Jan. 27, 1905 (33 Stat. 616).
Board of Surveys and Maps of the Federal Government.				Created by Executive order of Dec. 30, 1919 (No. 3203).
Bureau of the Budget	Treasury-Post Office act	191,000.00	190,000.00	Created by act of June 10, 1921 (42 Stat. 23).
California Débris Commission	War Department act	17,350.00		Created by act of Mar. 1, 1893 (27 Stat. 507).
Civil Service Commission	Independent offices act	1,658,342.00	1,312,370.00	Created by act of Mar. 9, 1883 (22 Stat. 403).
Claims Commission, United States and Mexico	State, Justice, Commerce, and Labor act.	367,000.00	(2)	Created under conventions between the United States and Mexico, Aug. 10, 1923.

[1] This amount included in War Department bill as passed by Senate. Bill now in conference.
[2] Unexpended balance reappropriated.

Table of independent and semi-independent establishments, boards, and commissions of the Federal Government, showing the acts under which their appropriations are made, the amount of 1932 and 1933 appropriations, and references to the authority by which they were established—Continued

Organization	Appropriation act	Appropriations		Authority by which established
		1932	1933	
Commission of Fine Arts	Independent offices act	$9,775.00	$7,800.00	Created by act of May 17, 1910 (36 Stat. 371).
Commission on Navy Yards and Naval Stations				Created by act of Aug. 29, 1916 (39 Stat. 571).
Commission to Recommend Memorials for Arlington Memorial Amphitheater.				Created by act of Mar. 4, 1921 (41 Stat. 1440).
Committee on the Conservation and Administration of the Public Domain.		(2)	(2)	Created by act of Sept. 10, 1930 (46 Stat. 153).
Council of Personnel Administration				Created by Executive order of Apr. 25, 1931 (No. 5612).
Employees' Compensation Commission	Independent offices act	4,730,980.00	4,910,000.00	Created by act of Sept. 7, 1916 (39 Stat. 748).
Federal Board for Vocational Education	do	10,213,981.50	10,231,000.00	Created by act of Feb. 23, 1917 (39 Stat. 932).
Federal Employment Stabilization Board	State, Justice, Commerce, and Labor act.	90,000.00	75,000.00	Created by act of Feb. 10, 1931 (46 Stat. 1084-1037).
Federal Farm Board	Independent offices act	101,900,000.00	[3] 800,000.00	Created by act of June 15, 1929 (46 Stat. 11).
Federal Oil Conservation Board	do	20,000.00	10,000.00	Organized by the President Dec. 18, 1924.
Federal Power Commission	do	318,470.00	326,750.00	Created by act of June 23, 1930 (46 Stat. 797; see also 41 Stat. 1063).
Federal Radio Commission	do	465,380.00	382,000.00	Created by act of Feb. 23, 1927 (44 Stat. 1162).
Federal Reserve Board	do	1,609,200.00	1,692,800.00	Created by act of Dec. 23, 1913 (38 Stat. 261).
Federal Trade Commission	do	1,781,766.00	1,466,500.00	Created by act of Sept. 26, 1914 (38 Stat. 717).
General Accounting Office	do	4,297,620.00	4,262,620.00	Created by act of June 10, 1921 (42 Stat. 23).
General Claims Commission, United States and Panama.	State, Justice, Commerce, and Labor act.	54,000.00	50,000.00	Created under convention between United States and Panama signed July 28, 1926.
George Rogers Clark Sesquicentennial Commission.	Independent offices act	800,000.00	400,000.00	Created by act of May 23, 1928 (45 Stat. 723-4).
George Washington Bicentennial Commission	do	563,195.00	200,000.00	Created by act of Dec. 2, 1924 (43 Stat. 671). Created by act of Feb. 21, 1930 (46 Stat. 71).
Inland Waterways Corporation	War Department act	(4)	(4)	Created by act of June 3, 1924 (43 Stat. 360).
International Boundary Commission, United States and Canada, and Alaska and Canada.	State, Justice, Commerce, and Labor act.	49,790.00	30,000.00	Created by treaty between United States and Great Britain, Feb. 24, 1925.
International Commission on Annual Table of Constants, etc.	do	500.00	(5)	Created by Seventh International Congress of Applied Chemistry in 1914.
International Fisheries Commission	do	36,500.00	25,000.00	Created under treaties between United States and Great Britain, Apr. 11, 1908, and Mar. 2, 1923.
International Highway Special Commission, United States and Canada.	do	2,000.00		Created by act of May 15, 1930 (46 Stat. 335).
International Joint Commission	do	175,355.00	117,855.00	Created under treaty between United States and Great Britain, signed Jan. 11, 1909.
International Prison Commission	do	5,500.00		Organized in 1872 at first meeting of International Prison Congress held in London.
International Water Boundary Commission, United States and Mexico.	do	92,500.00	70,000.00	Created to carry out provisions of several treaties signed in 1884, 1889, 1905, and 1906.
International Water Commission, United States and Mexico.	do	[6] 287,000.00		Created by act of Mar. 3, 1927 (44 Stat. 1403).
Interoceanic Canal Board				Created by act of Mar. 2, 1929 (45 Stat. 1539).
Interstate Commerce Commission	Independent offices act	11,912,513.93	8,048,560.00	Created by act of Feb. 4, 1887 (24 Stat. 383).
Migratory Bird Conservation Commission	Agricultural act	5,000.00	3,453.00	Created by act of Feb. 18, 1929 (45 Stat. 1222).
Mixed Claims Commission, United States and Germany.	State, Justice, Commerce, and Labor act.	65,500.00		Created under agreement between United States and Germany signed Aug. 10, 1922.
Mount Rushmore National Memorial Commission.	Independent offices act	(2)	25,000.00	Created by act of Feb. 25, 1929 (45 Stat. 1300).
National Academy of Sciences				Created by act of Mar. 3, 1863 (12 Stat. 806) (act of incorporation).
National Advisory Committee for Aeronautics	Independent offices act	1,051,070.00	920,000.00	Created by act of Mar. 3, 1915 (38 Stat. 930).
National Board for the Promotion of Rifle Practice.	War Department act	732,770.00	[1] 139,150.00	Created by act of June 7, 1924 (43 Stat. 510) (originally organized Apr. 27, 1903, General Order 61, Headquarters, Army).
National Capital Park and Planning Commission.	Independent offices act	4,000,000.00		Created by act of June 6, 1924 (43 Stat. 463-464).
National Forest Reservation Commission	Agricultural act	500.00	475.00	Created by act of Mar. 1, 1911 (36 Stat. 962, secs. 4-5).
National Memorial Commission				Created by act of Mar. 4, 1929 (45 Stat. 1699).
National Screw Thread Commission				Created by act of July 18, 1918 (40 Stat. 912).
Office of Chief Coordinator (see Budget Bureau)				Created by Executive order of July 27, 1921.
Office of Public Buildings and Public Parks	Independent offices act	5,799,686.37	4,025,933.00	Created by act of Feb. 26, 1925 (43 Stat. 983).
Pan American Sanitary Bureau	State, Justice, Commerce, and Labor act.	28,774.74	29,986.70	Created by Second International Conference of American Republics, 1901-2.
Pan American Union	do	275,836.20	187,367.60	Established in 1890 by First Pan American Conference held in Washington.
Permanent International Commission of Congresses of Navigation.	War Department act	3,000.00	[1] 3,000.00	Created by act of June 28, 1902 (32 Stat. 485, sec. 1).
Perry's Victory Memorial Commission	Independent offices act			Created by act of Mar. 3, 1919 (40 Stat. 1322).
Personnel Classification Board	do	218,850.00	[7] 145,116.00	Created by act of Mar. 4, 1923 (42 Stat. 1488).
Porto Rican Hurricane Relief Commission	do	1,000,000.00		Created by act of Dec. 21, 1928 (45 Stat. 1067).
Public Buildings Commission	do	125,000.00	100,000.00	Created by act of July 1, 1916 (39 Stat. 328), and act of Mar. 1, 1919 (40 Stat. 1269, sec. 10).
Rock Creek and Potomac Parkway Commission				Created by act of Mar. 4, 1913 (37 Stat. 885, sec. 22).
Smithsonian Insitution	Independent offices act	1,215,424.00	1,134,829.00	Created in 1846 under the terms of the will of James Smithson (U. S. C., title 20, secs. 54-55).
U. S. Board of Mediation	do	188,226.65	152,135.00	Created by act of May 20, 1926 (44 Stat. 579, sec. 4).
U. S. Board of Tax Appeals	do	653,640.00	560,000.00	Created by act of June 2, 1924 (43 Stat. 336, sec. 900).
U. S. Bureau of Efficiency	do	200,270.00	159,500.00	Created by act of Feb. 28, 1916 (39 Stat. 15).
U. S. Council of National Defense				Created by act of Aug. 29, 1926 (39 Stat. 649).
U. S. Geographic Board	Independent offices act	10,678.00	9,678.00	Created by Executive order of Aug. 10, 1906.
U. S. Housing Corporation	Independent offices act, 1932; Labor, 1933.	15,000.00	14,000.00	Created by act of May 16, 1916 (40 Stat. 550-554), and act of July 19, 1919 (41 Stat. 222-224).
U. S. Railroad Administration	Independent offices act			Presidential proclamation dated Dec. 26, 1917 (40 Stat. 1733).
U. S. Section, Inter-American High Commission	State, Justice, Commerce, and Labor act.	10,000.00	10,000.00	Created by act of Feb. 7, 1916 (39 Stat. 8).
U. S. Shipping Board	Independent offices act	436,000.00	360,000.00	Created by act of Sept. 7, 1916 (39 Stat. 728-738).
U. S. Shipping Board Merchant Fleet Corporation.		(4)	(4)	Created by act of Sept. 7, 1916 (39 Stat. 728-733) (incorporated Apr. 16, 1917).
U. S. Supreme Court Building Commission	Independent offices act	3,750,000.00	1,000,000.00	Created by act of Dec. 21, 1928 (45 Stat. 1066).
U. S. Tariff Commission	do	1,240,000.00	1,020,000.00	Created by act of Sept 8, 1916 (39 Stat. 795).
Panama Railroad		(4)	(4)	Capital stock authorized to be purchased from French Co. by act of June 28, 1902 (32 Stat. 481).

[2] Unexpended balance reappropriated.
[3] Not to exceed $800,000 of unexpended balance reappropriated.
[4] Indefinite.
[5] Dropped.
[6] Abolished effective July 1, 1932, and duties transferred to International Boundary Commission (act of June 30, 1932).
[7] Abolished effective Oct. 1, 1932, and duties transferred to Civil Service Commission (act of June 30, 1932).

FEDERAL HOME-LOAN BANK BOARD

Mr. JONES. Mr. President, I desire to move to take up a bill which is now on the calendar that has passed the House. A similar Senate bill has been favorably reported, and is now on the calendar. I refer to Calendar 1053, a bill (H. R. 12768) to authorize the closing of a portion of Virginia Avenue SE., in the District of Columbia, and for other purposes. I move that the Senate proceed to the consideration of the bill.

The VICE PRESIDENT. Let it be reported for the information of the Senate.

The Chief Clerk read the bill by title.

Mr. LA FOLLETTE. Mr. President, I wish to appeal to the Senator from Washington to take some other bill as a vehicle for the appropriation for the home-loan banks, because I am very much opposed to this bill. It has been protested very vigorously by citizens of the District, and since the recommendations were made by the Utilities Commission of the District, the gas company has announced that it does not require an additional holder or container for storage purposes and, as I understand it, the matter is to be again reviewed by the Park and Planning Commission and the Utilities Commission before any further recommendation is made. I wish the Senator would pick out some other vehicle for his purpose.

Mr. MOSES. Mr. President, the Senator from Wisconsin need not worry about it. We can do what the Senator wishes by moving to strike out everything after the enacting clause and insert.

Mr. JONES. Yes; we can strike all after the enacting clause and offer as an amendment the bill which I have in mind. That is the amendment which I shall propose to the bill. I move that the Senate proceed to the consideration of the bill to which I have referred.

The motion was agreed to, and the Senate proceeded to consider the bill.

Mr. JONES. Mr. President, I move to amend the bill by striking out all after the enacting clause and inserting the language which I send to the desk.

The VICE PRESIDENT. Let the amendment in the nature of a substitute be reported for the information of the Senate.

The Chief Clerk read as follows:

That for the payment of all authorized expenses of the Federal Home-Loan Bank Board in carrying out the provisions of the act of the Seventy-second Congress entitled "An act to create Federal home-loan banks, to provide for the supervision thereof, and for other purposes," there is hereby appropriated, out of any money in the Treasury not otherwise appropriated, the sum of $250,000 for the fiscal year ending June 30, 1933, to be available for the purposes and subject to the conditions and limitations specified in such act, including personal services and rent in the District of Columbia and elsewhere and expenses preliminary to the organization and establishment of the banks created thereunder.

The VICE PRESIDENT. The question is on agreeing to the amendment in the nature of a substitute.

The amendment was agreed to.

The VICE PRESIDENT. The bill is open to further amendment. There being no further amendment, the question is, Shall the amendment be engrossed and the bill be read a third time?

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

The bill was read the third time.

The VICE PRESIDENT. The question is, Shall the bill pass?

Mr. COUZENS. 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	Bulow	Fess	Howell
Bailey	Capper	Fletcher	Johnson
Barbour	Cohen	Frazier	Jones
Barkley	Connally	Glass	Kean
Bingham	Costigan	Goldsborough	Keyes
Black	Couzens	Hale	King
Borah	Dale	Hastings	La Follette
Brookhart	Davis	Hatfield	Lewis
Bulkley	Dickinson	Hayden	McKellar
McNary	Pittman	Smoot	Tydings
Metcalf	Reed	Steiwer	Vandenberg
Moses	Robinson, Ark.	Stephens	Wagner
Norbeck	Robinson, Ind.	Thomas, Idaho	Walcott
Norris	Schall	Thomas, Okla.	Walsh, Mass.
Nye	Sheppard	Townsend	Watson
Patterson	Shortridge	Trammell	

The VICE PRESIDENT. Sixty-three Senators have answered to their names. A quorum is present. The question is on the passage of the bill.

Mr. COUZENS. Mr. President, is the bill still open to amendment?

The VICE PRESIDENT. It is not.

Mr. COUZENS. Has it had its second reading?

The VICE PRESIDENT. It has had the second reading, has been read the third time, and is now on its passage.

Mr. COUZENS. I want to discuss the matter for a while to show how little the rules of the Senate have effect when the steam roller gets to working. Of course, everyone knows we are anxious to get away and both Houses of Congress are tired and weary. I hesitate to take up as much time as I would otherwise like to take for the purpose of expressing my opposition to the particular appropriation which is being driven through Congress without any consideration by the Committee on Appropriations or by any committee of Congress. In other words, the bill that has passed both Houses of Congress was simply an authorization.

Mr. President, I want to point out that the Senator from Indiana [Mr. WATSON] has had the bill for seven or eight months. The Senator from Indiana is wholly responsible for the delay in Congress during all this period of time, from the time when it was first suggested last December. It is inexcusable for a Senator who assumes to be the leader of the majority side to hold up an administration measure until this time in the session.

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

The VICE PRESIDENT. Does the Senator from Michigan yield to the Senator from Indiana?

Mr. COUZENS. I yield.

Mr. WATSON. Does not the Senator know—and he does know, because he is a member of the committee—that nearly all of the important bills, outside of the appropriation bills, before this Congress came before the Committee on Banking and Currency; that the Reconstruction Finance Corporation bill was handled by that committee. The Senator was there at some of the meetings, if not all of them. Does not the Senator know that the Senator from Virginia [Mr. GLASS] sat as chairman of a subcommittee last summer and when the session began in December he introduced a measure having reference to certain changes in the financial structure of the country and that the committee considered that bill for some six or seven weeks; that after that time a bill was taken up by the Senator from Virginia called the Glass-Steagall bill, which had consideration by the committee for two or three weeks and was then brought into the Senate and passed; that after that another bill sponsored by the Senator from Virginia was considered by the committee, presented to the Senate, was debated some two or three days, and then its further consideration suspended because of other measures being brought before the Senate; that after that the Committee on Banking and Currency took up for consideration the investigation of short selling in Wall Street and considered that for some time?

The Senator further knows that he was chairman of the Interstate Commerce Committee, of which I am also a member, and that he had a good many meetings of that committee, all of which he attended and some of which I attended. The Senator from Michigan all of that time was a member of the subcommittee having the present bill under consideration.

The Senator also knows that he was a member of the Committee on Finance, as I am a member of the Committee on Finance, and that for weeks we considered a measure before that committee dealing with the subject of taxation. There was no time at which the present bill could have been taken up to be considered in a connected way without displacing some other bill of equal or even greater importance.

The Senator well knows that time and again I talked to him about a meeting of the subcommittee of which he is a member. The Senator and I were members of the subcommittee having in charge this particular bill, and, so far as I know, there was no vacant date that we did not meet to consider this bill when we were not considering measures before other committees of great importance.

All important legislation can not be passed during the first few weeks of the session. Some of it must be passed along toward the last of the session. What is the difference how much I delayed? How does that justify my friend from Michigan in delaying now the passage of this bill after it has been considered for days in the Senate, after both Houses have passed it, and now it has come to us for the appropriation alone? Now the Senator is charging me with delaying a bill which he himself is delaying well into the night on the mere matter of an appropriation. Am I not right about that?

Mr. COUZENS. Just a moment, Mr. President. I did not yield to be chastised or called down by the Senator from Indiana.

Mr. WATSON. But the Senator was chastising me.

Mr. COUZENS. I intend to continue to do so within the rules.

Mr. WATSON. I have some rules of my own, I will say to the Senator.

Mr. COUZENS. I will continue to say what I think about the Senator from Indiana, within the rules, I hope.

Mr. WATSON. I shall consider it a decoration of honor.

Mr. COUZENS. I hope it will be such an honor that the Democrats will take care of you in Indiana at the next election. [Laughter.]

Mr. WATSON. I will say to the Senator I will risk that.

Mr. COUZENS. The Senator will have to risk it whether he wants to or not.

Mr. WATSON. Certainly.

Mr. COUZENS. Yes; that the Senator is soon to risk that does not concern me, but when the country knows the type of leadership we have had on this side of the aisle, when that permeates through Indiana, I am quite satisfied with what the Democrats will do with the Senator from Indiana.

Mr. WATSON. I am very happy over the prospect.

Mr. COUZENS. I do not yield to the Senator any further, and I did not yield except for a question. The Senator knows and I know, and I charge now and here that the Senator for five months was vehemently opposed to this bill. Time and again he told me and time and again he told other Members of the Senate that he did not favor the home loan bank bill.

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

Mr. COUZENS. I will not yield until I get through with my statement.

I venture to say that of the members of the subcommittee appointed by the Banking and Currency to hold hearings on the home loan bank bill not more than one or two of them favored the bill. Now the Senator charges me with delaying this measure at this time of the session. I have not delayed it, except at this time, when the Senator knows a shrewd, slippery, parliamentary trick was used to get over this appropriation. The Senator knows that under Rule XIV, as found on page 18 of the manual, this House joint resolution ought to have been read three times on three different days.

Mr. President, I resent this kind of tactics; I resent the methods that were adopted to secure the passage of this appropriation measure; and I want to say to the Senator from Indiana that if he thinks he has made any progress, politically, or as a leader of the Senate, by resorting to these tricks, then he is very much mistaken.

The VICE PRESIDENT. The Chair will announce that the Senator can not accuse another Senator of "resorting to tricks."

Mr. COUZENS. I will ask the Chair, as a parliamentary inquiry, what is "a trick"?

The VICE PRESIDENT. The Chair is not here for that purpose.

Mr. COUZENS. Then I do not intend to abide by the Chair's decision that the use of the word "trick" is a violation of the rule unless I know what the Chair's definition of the word is.

The VICE PRESIDENT. The Senator will stay within the rules or he will be called down.

Mr. COUZENS. I will stay within the rules, but I will have the Senate pass upon the rules, and not the Vice President.

The VICE PRESIDENT. That is the Senator's right.

Mr. COUZENS. The Senator from Indiana is well known to the country; his methods are well known to the country; they are well known to his colleagues; and those methods will be well known to Indiana by the time November comes around. What I resent is that during all the period of time the Senator from Indiana was chairman of the subcommittee that held hearings there was delay, delay, delay for month after month, and no effort was made to get the bill out of the committee even until the last few days of the session. Then the Congress is held up for hours and hours because of the delay. I just want to take this opportunity to express my views and my resentment of that kind of methods in connection with legislation.

Mr. WATSON. Mr. President, I am at a loss to understand why the Senator has chosen to pour out upon my head the vials of his wrath. I want to say to the Senator that I am not responsible for the parliamentary "trick" of which he speaks. I did not conceive it; I did not originate it; I did not introduce it; but the Senator, for some reason or other, charges me with it, when I had nothing to do with it.

So far as Indiana is concerned, I have been in Indiana politics for 45 years. The people out there understand me, they know about my methods, and I am quite convinced that when the time comes the people of Indiana and not the Senator from Michigan will determine my fitness to come back to the Senate of the United States.

Of course, I court the good will of the Senator from Michigan, as I court the good will of all my colleagues and associates; but, after all, I want to call the Senator's attention to the fact that since this bill came to the Senate he has taken a great deal of time in discussing it, at times reading, reading, reading for hours, when nobody was paying any attention to him, and when he was not discussing the bill. The fact is that the Senator from Michigan has delayed this bill.

The Senator charged that I was not for this bill. I stated in the opening speech I made on this floor—and the Senator heard it—that when this bill was first presented to me there were two phases of it from which I revolted. One was the setting up of an entirely new establishment, which naturally made me shrink, as it does every other man who has my views of government and of governmental functions. The second was that it provided certain machinery that I was not sure would operate successfully. But after I had studied it, after I had talked with bankers about it, after I had talked with Government officials about it, and after I had talked with building and loan association officials and cooperative association officials and other men of similar character throughout the country, I became convinced that it was a workable proposition; and when I became profoundly convinced of it I used every ounce of energy I possessed and every ounce of influence I could bring to bear to secure its passage by this body, and it was honorably done.

Mr. COUZENS. That is a question that we will have to discuss later.

Mr. WATSON. Well, I am discussing it now. It was honorably done. The bill was passed through the House and it was passed through the Senate; it was here for our consideration; and why the Senator now seeks to charge me, in the closing hours of the session, with something sinister, something unwholesome, is more than I know.

I am not going to get into a personal encounter with the Senator. Never in my political experience as a campaigner or on this floor have I said anything derogatory to the character of any man. I do not believe in the argument

of slander or in the logic of vilification. I try to keep above the low miasmatic swamps of personal defamation and conduct my argument from the high plateau of principle and logic; and I have never at any time indulged in slander of any of my colleagues or of any of my opponents or of any of my fellow citizens, and I do not intend now to indulge in anything of that character, even if I had the right within the rule of the honorable Senator from Michigan.

Suppose all he says about that is true, what has that got to do with this bill? The appropriation is here for our consideration; that is the question before us, and not how it got here.

Mr. COUZENS. Mr. President——

The VICE PRESIDENT. Does the Senator from Indiana yield to the Senator from Michigan?

Mr. WATSON. I yield.

Mr. COUZENS. The Senator knows very well that under the rule this measure ought not to have been passed in this manner, and that devious methods outside of the rule were used to get this appropriation through to-night. I just rose purposely to tell the Senator that if he believes that he is making any progress by indorsing as leader this type of legislation and this manner of doing things, he will find out that he makes no progress either here or elsewhere.

Mr. WATSON. Mr. President, I had a number of Senators speak to the Senator after I learned that he intended to object to the consideration of this appropriation.

Mr. COUZENS. I did not have to object to the consideration of the appropriation. The rules themselves provide a method.

Mr. WATSON. It could have been done by unanimous consent.

Mr. COUZENS. Certainly; but I was going to ask that it go over under the rules. That is what the rules are for. I am supposed to be held to the rules, but when the leader wants to rush something through that there is no public demand for and that unbalances the Budget, that he has preached so much about balancing, then I object to the violation of the rules to accomplish that purpose.

Mr. WATSON. I am not talking about balancing the Budget; that is a question to be taken care of hereafter; but word came—and I think the Senator himself told me—that he intended to raise objection to the consideration of this appropriation.

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

The VICE PRESIDENT. Does the Senator from Indiana yield to the Senator from Michigan?

Mr. WATSON. Yes.

Mr. COUZENS. I said I intended to go by the rules, and the rules require that the measure go over for three different days for reading.

Mr. WATSON. The Senator intended to hold the entire American Congress in session until next Wednesday for the purpose of passing this appropriation. It would have to be read one day and have to be read again the second day and have to be read the third day, and not until——

Mr. COUZENS. May I ask the Senator what the rules are for?

Mr. WATSON. Unanimous consent could have been granted but for the Senator. Nearly everything we do here is done by unanimous consent.

Mr. COUZENS. There was not any reason for unanimous consent because the private beneficiaries of this bill could readily have raised $250,000, so long as they are going to unload their cats and dogs on the Government.

Mr. WATSON. That is another proposition which I will not discuss with the Senator; that has all been gone over; that straw has been threshed. The question before us is, Shall the appropriation bill pass? That is the question; and, while I had not anything in the world to do with this proposition or with bringing it here in this manner, I am for it because otherwise the entire American Congress would have been held for three days, when the Senator knows that everyone wants to adjourn and to go home.

Of course, everybody knows that the honorable Senator was opposed to this bill from the beginning, and intended to use every artifice to which he could resort to defeat it; that he intended, if possible, to hold the Congress here until a majority had dwindled away, and we could no longer secure a quorum. The Senator, I think, will be candid enough to stand up and admit that.

Mr. COUZENS. Oh, no. If the Senator will yield further, I understood that if this appropriation is not made to-night the Congress will adjourn and leave it to private industry, the beneficiaries under the bill, to put up private money. I was advised by prominent Senators on both sides of the aisle that the Congress would not remain over, that if the Congress did not remain here the people who are back of this measure, the private interests, would furnish money instead of the Federal Government doing so.

Mr. WATSON. That is the first time I have ever heard of that. The appropriation was demanded, it was called for.

Mr. COUZENS. Of course that is the authorization in the bill; I do not find fault with that.

Mr. WATSON. Certainly not; but we had to have the money to set up the machinery as the Congress provided it should be set up, in order that the banks should be established and should begin at once to function. I do not repeat private conversations, but I had heard that the Senator had said he did not want this bank set up this summer.

Mr. COUZENS. That is quite true. I did all I could to defeat the bill, and if the beneficiaries of the bill want the bank started now, of course, they could provide $250,000.

Mr. WATSON. I do not expect to discuss my private relations with the Senator which have been pleasant always, and I am very sorry, indeed, for this little rupture of that kindly relationship which I have always enjoyed with him. I have not anything against the Senator; he has a right to run his own way and run the gamut to the limit, so far as I am concerned; but when it comes to a matter of this kind, of great public moment, if I can get it through I will get it through; and I think that nothing is being resorted to here except that which is in accordance with the rules of the Senate of the United States.

Mr. HOWELL. Mr. President, I send to the desk an amendment to this bill and ask that it be read. Then I propose to ask unanimous consent for its consideration.

The VICE PRESIDENT. The bill is beyond the stage of amendment.

Mr. HOWELL. Mr. President, I asked that the amendment might be read, and then I propose to ask unanimous consent for its consideration.

The VICE PRESIDENT. Is there objection to the reading of the proposed amendment? The Chair hears none, and the amendment will be read.

The Chief Clerk proceeded to read the amendment. During the reading,

Mr. JONES. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. JONES. Is that tendered as an amendment to this bill?

The VICE PRESIDENT. The Senator from Nebraska asked unanimous consent to have it read, stating that after it was read he would ask unanimous consent that he might offer it as an amendment. The bill has passed the stage of amendment.

Mr. JONES. I was going to make a point of order against the amendment.

The VICE PRESIDENT. If the Senator objects to the consideration of the amendment, that will end it.

Mr. BINGHAM. Mr. President, in view of the lateness of the hour, and the impossibility of having this put on as an amendment to the bill, I hope the Senator from Nebraska will not feel offended if I object to the reading of the amendment.

Mr. HOWELL. But, Mr. President, I have had unanimous consent for the reading of the amendment.

The VICE PRESIDENT. The Senator from Nebraska has already had unanimous consent for the reading of the amendment.

The Chief Clerk resumed the reading of the amendment. During the further reading——

Mr. TYDINGS. Mr. President, I ask unanimous consent that the amendment may be considered as read in full.

The VICE PRESIDENT. Is there objection?

Mr. HOWELL. Mr. President——

The VICE PRESIDENT. Does the Senator object?

Mr. HOWELL. I object.

The Chief Clerk resumed the reading of the amendment. During the further reading——

Mr. GLASS. Mr. President, a parliamentary inquiry.

The PRESIDENT pro tempore. The Senator will state it.

Mr. GLASS. I want to know how this measure got before the Senate. What has become of the motion of the Senator from Nebraska [Mr. NORRIS] respecting the joint resolution which I offered?

The PRESIDENT pro tempore. These proceedings are by unanimous consent.

Mr. GLASS. I do not think anybody consents to it.

The PRESIDENT pro tempore. The Senator may demand the regular order at any time.

Mr. GLASS. I would demand it if the regular order would get us anywhere.

The PRESIDENT pro tempore. If the Senator is objecting to the reading, he can object to it at any point.

Mr. GLASS. How much more of it is there? [Laughter.]

The PRESIDENT pro tempore. Two pages. It will not try the Senator's patience much longer.

Mr. GLASS. I suggest to the clerk that he skip. [Laughter.]

The Chief clerk resumed and concluded the reading of the amendment, which was, at the proper place in the bill, to insert:

That the agricultural marketing act, approved June 15, 1929, as amended, is amended by adding after section 10 thereof the following new sections:

MARKETING AGREEMENTS

SEC. 10A. (a) Upon request of the wheat advisory committee, or upon request of any leading wheat cooperative association or other organization of wheat producers, the board shall, or upon its own motion may, investigate the supply and marketing situation with respect to wheat.

(b) Whenever the board finds upon any such investigation—

(1) That there is or may be during the ensuing year a national surplus of wheat; and

(2) That the operation of the provisions of sections 7 and 9 of this act will not be effective to control such surplus because of the inability or unwillingness of the cooperative associations or stabilization corporations engaged in handling wheat to control such surplus with the assistance of loans made pursuant to such section—then the board shall make public its findings and shall arrange for the marketing of all or any part of such surplus by means of marketing agreements with such cooperative associations or stabilization corporations as hereinafter provided. The marketing by means of such agreements shall continue until the board finds that such agreements are no longer necessary or advisable for carrying out the policy declared by section 1 of this act.

(c) Each such marketing agreement shall provide either—

(1) For the withholding by the cooperative association or stabilization corporation, during such period as shall be provided for in the agreement, of all or any part of the wheat delivered to such cooperative association by its members or delivered to such corporation, and for the payment from the wheat stabilization fund provided for in section 10C of the costs arising out of such withholding; or

(2) For the purchase, withholding, and disposal by the cooperative association or stabilization corporation of other wheat, for payment from the wheat stabilization fund of the amount of the losses, costs, and charges arising out of such purchase, withholding, and disposal, or arising out of contracts in connection therewith, and for the payment into the wheat stabilization fund (after repayment of all amounts advanced from such stabilization fund and the deduction of all costs and charges provided for in the agreement) of all profits arising out of such purchase, withholding, and disposal, or arising out of contracts in connection therewith.

(d) The board shall provide in each such marketing agreement for financing the purchase, withholding, and disposal of wheat under any such agreement through advances from such stabilization fund. Such financing shall be upon such terms and conditions as the board may prescribe, but no such advance shall bear interest.

(e) If the board is of the opinion that there are two or more cooperative associations or stabilization corporations capable of carrying out any such marketing agreement, the board, in entering into such agreement, shall not discriminate unreasonably against any such association or corporation in favor of any other such association or corporation. If the board is of the opinion that there is no such cooperative association or stabilization corporation capable of carrying out any such marketing agreement for the purchase, withholding, and disposal of wheat, then the board may enter into such agreement with other agencies but shall not discriminate unreasonably between such other agencies.

(f) During any marketing period fixed by the board, the board may enter into marketing agreements for the purchase, withholding, and disposal of food products of wheat, and all the provisions of this act applicable to marketing agreements for the purchase, withholding, and disposal of wheat shall apply to the marketing agreements with respect to such food products.

(g) Any decision of the board relating to the commencement, extension, or termination of a marketing period shall require the affirmative vote of the majority of the members of the board.

(h) The powers of the board under this section shall be exercised in such manner, and the marketing agreements entered into by the board shall be upon such terms and conditions as will, in the judgment of the board, carry out the policy declared by section 1 of this act.

(i) The United States shall not be liable directly or indirectly upon any such agreements in excess of the amounts available in the stabilization and revolving funds provided for by this act.

EQUALIZATION FEE

SEC. 10B. (a) In order to carry out marketing and price insurance agreements with respect to wheat without loss to the revolving fund, each marketed unit of wheat produced in the United States shall, throughout any marketing period with respect thereto, contribute ratably its equitable share of the losses, costs, and charges arising out of such agreements. Such contributions shall be made by means of an equalization fee apportioned and paid as a regulation of interstate and foreign commerce. It shall be the duty of the board to apportion and collect such fees as hereinafter provided.

(b) Prior to the commencement of any marketing period with respect to wheat, and thereafter from time to time during such marketing period, the board shall estimate the probable losses, costs, and charges to be paid under marketing and price insurance agreements with respect to wheat as hereinafter provided. Upon the basis of such estimates, the board shall from time to time determine and publish the amount (hereinafter referred to as the equalization fee) for each unit of weight, measure, or value designated by the board, to be collected upon each such unit of wheat during the marketing period. At the time of determining and publishing any equalization fee the board shall specify the time during which the particular fee shall remain in effect and the place and manner of its payment and collection.

(c) Under such regulations as the board may prescribe, any equalization fee determined upon by the board shall be paid, with respect to each marketed unit of wheat upon either the transportation, processing, or sale of such unit. The equalization fee shall not be collected more than once with respect to any unit. The board shall determine, in the case of such class of transactions, whether the equalization fee shall be paid upon transportation, processing, or sale. The board shall make such determination upon the basis of the most effective and economical means of collecting the fee with respect to each unit of wheat marketed during the marketing period.

(d) Under such regulations as the board may prescribe, the equalization fee determined under this section shall in addition be collected upon the importation of each designated unit of wheat imported into the United States for consumption therein, and an equalization fee, in an amount equivalent as nearly as may be, shall be collected upon the importation of any food product derived in whole or in part from wheat and imported into the United States for consumption therein.

(e) The board may by regulation require any person engaged in the transportation, processing, or acquisition by purchase of wheat produced in the United States, or in the importation of any wheat or food product thereof—

(1) To file returns under oath and to report, with respect to his transportation, processing, or acquisition of wheat produced in the United States or with respect to his importation of wheat or food products thereof, the amount of equalization fees payable thereon and such other facts as may be necessary for their payment or collection.

(2) To collect the equalization fee as directed by the board and to account therefor.

(f) The board, under regulations prescribed by it, is authorized to pay to any such person required to collect such fees a reasonable charge for his services.

(g) Every person who, in violation of the regulations prescribed by the board, fails to collect or account for any equalization fee shall be liable for its amount and to a penalty equal to one-half its amount. Such amount and penalty may be recovered together in a civil suit brought by the board in the name of the United States.

(h) As used in this section—

(1) The term "transportation" means the acceptance of the commodity by a common carrier for delivery;

(2) The term "processing" means milling of wheat for market or the first processing in any manner for market (other than cleaning or drying) of wheat not so milled; and

(3) The term "sale" includes a sale or other disposition in the United States of wheat for milling or other processing for market, for resale, or for delivery by a common carrier, occurring during a marketing period, but does not include a transfer to a cooperative association or stabilization corporation for the purpose of

sale or other disposition by such association or corporation on account of the transferor; nor a transfer of title in pursuance of a contract entered into before, and at a specified price determined before, the commencement of a marketing period with respect to wheat. In case of the transfer of title in pursuance of a contract entered into after the commencement of a marketing period with respect to wheat, but entered into at a time when, and at a specified price determined at a time during which a particular equalization fee is in effect, then the equalization fee applicable with respect to such transfer of title shall be the equalization fee in effect at the time when such specified price was determined.

STABILIZATION FUND

SEC. 10C. (a) There shall be established, in accordance with regulations prescribed by the board, a stabilization fund for wheat. Such fund shall be administered by and exclusively under the control of the board, and the board shall have the exclusive power of expending the moneys in such fund.

(b) There shall be deposited to the credit of the stabilization fund for wheat (1) advances from the revolving fund as hereinafter authorized; (2) profits arising out of marketing agreements with respect to wheat; (3) repayments of advances for financing the purchase, withholding, or disposal of wheat; and (4) equalization fees collected with respect to wheat and its imported food products.

(c) In order to make the payments required by a marketing or price insurance agreement with respect to wheat, and in order to pay the salaries and expenses of experts, the board may, in its discretion, advance to the stabilization fund out of the revolving fund such amounts as may be necessary.

(d) The deposits to the credit of the stabilization fund shall be made in a public depositary of the United States. All general laws relating to the embezzlement, conversion, or to the improper handling, retention, use, or disposal of public moneys of the United States shall apply to the profits and equalization fees payable to the credit of the stabilization fund and to moneys deposited to the credit of the fund or withdrawn therefrom, but in the custody of any officer or employee of the United States.

(e) There shall be withdrawn from the stabilization fund (1) the payments required by marketing or price insurance agreements with respect to wheat, (2) the salaries and expenses of such experts as the board determines shall be payable from such fund, (3) service charges payable for the collection of equalization fees, and (4) repayments into the revolving fund of advances made from the revolving fund to the stabilization fund, together with interest on the amounts so advanced at a rate of interest per annum equal to the lowest rate of yield (to the nearest one-eighth of 1 per cent) of any Government obligation (except postal-savings bonds) bearing a date of issue subsequent to April 6, 1917, and outstanding at the time the advance is made by the board, as certified by the Secretary of the Treasury to the board upon its request: *Provided*, That in no case shall the rate of interest on any such advance exceed 4 per cent per annum on the unpaid principal thereof.

Mr. HOWELL. Mr. President, I rise to call the attention of the Senate to the fact that after all the months this session has occupied we have done not one constructive thing for the farmer.

Agriculture is the basis of prosperity in this country. It is at its lowest ebb. We have known the fact for months, but there has not been the will in the United States Senate or in the House of Representatives to make one effective move for constructive action in behalf of agriculture.

To-day we are right where we were a year ago. We are worse off than we were two years ago; and yet Congress has refused to aid constructively the greatest industry in the United States, upon which 44 per cent of our population are directly and indirectly dependent.

To-day it requires two wagonloads of agricultural products to buy what one wagonload would buy in 1912. So long as this condition exists we can not expect a return of prosperity to the United States. The condition of the foundation of our economic structure is the cause of this depression.

For months Congress has been treating symptoms. We have not been striking at the cause. Now we have before us a home loan bank bill that is to provide a lean-to addition to the structure which we call the Reconstruction Finance Corporation, all in behalf of financial institutions which perchance have loaned money on dwellings. Not a home owner can go to one of these so-called home-loan banks and get a dollar.

In the name of the home we propose to construct this lean-to addition to the Reconstruction Finance Corporation just to aid another class of financial institutions. That is all the measure amounts to. We have talked about building and loan associations, and Senators know that probably in three-quarters of the States of this Union a building and loan association can not hypothecate its mortgages. It is forbidden by law.

But we will provide in this bill, we are told, for savings banks—still another class of financial institutions that wants Congress to come to its aid; and it is they, probably, that will be responsible for the construction of this proposed lean-to, all upon the plea that it is for the home.

Some one has said, What crimes are committed in the name of liberty! What are we proposing to do here in the name of the home? There is still a chance to do something for the farmer, there is still a chance to do something for agriculture, and Congress ought not to adjourn until something is done.

I have offered an amendment to this home loan bill which has for its purpose a determination of the feasibility of a plan to make the tariff effective for agriculture. The bill merely provides for an experiment. It provides that we shall undertake this experiment with just one product, not for the sake of the product but for the sake of the experiment.

Let us do something so that after this Congress adjourns and another year comes at least we will have negotiated another milestone along the road in our endeavor to aid agriculture.

Whenever a plan has been proposed it is urged to be unconstitutional or unworkable. This amendment I have offered is merely the McNary-Haugen bill, which has passed the Senate twice in past years, applied to but one agricultural product, for the purpose of determining, through litigation, if necessary, whether or not it is a legal method of procedure. Why should we not do this much for agriculture?

Mr. President, a Republican Senate has refused to act, and a Democratic House has refused to act in behalf of agriculture. That is the difficulty which will confront the farmer in the coming campaign. The failure to act for agriculture is a bipartisan failure.

There is still time, however, and we ought to stay here so long as necessary to accomplish a result. There is still time to afford a crumb to agriculture. Then, at least, we can go back and say to the farmers of the Middle West, "We are going to try a plan, we are going to have a decision from the courts, we are going to make an experiment with a product that will best lend itself for experimentation." If the experiment succeeds, the door will be opened. The future will be bright.

Should this amendment be adopted, Congress would merely be acting as business men would act in experimenting in business affairs. We would be taking a careful, cautious step. There is nothing hazardous about the proposal. It is a measure, as I have stated, that, including all farm products, has passed the Senate twice and has passed the House once. It is a measure understood by Representatives and Senators alike. Therefore there is no reason why now we should not at least provide for such an experiment. The opportunity is at hand and should be embraced.

Mr. President, I move to reconsider the vote by which the pending bill was ordered to a third reading, in order that this amendment may be attached, and I now ask that that question be considered.

The PRESIDENT pro tempore. The question is on agreeing to the motion proposed by the junior Senator from Nebraska [Mr. HOWELL].

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

The yeas and nays were not ordered.

Mr. TRAMMELL. Mr. President, I would like very much to see this motion adopted. This bill was advanced with lightninglike rapidity from the second to the third reading, and it does look as though we might have an opportunity to consider the proposition on its merits.

I realize that it is getting rather late, and there is considerable restlessness and a desire to adjourn; but I do not think this anxiety on the part of the Senate to adjourn is anything comparable to the anxiety and the yearning of the farmers of this country for some relief from Congress. I

frankly admit that the failure of Congress and this administration, going to the executive as well as to the congressional branch of the Government, has been very disappointing.

I heard a group of Senators speaking a little while ago with some Representatives in one of the cloakrooms, and one of those Senators suggested, "What are you going to tell the farmers you did for them at this session of Congress when you get back?" After this little social conversation, it seemed that no Senator and no Representative was able to suggest anything worth while that had been done for agriculture at this session of the Congress.

I have taken the position throughout our deliberations here that we should have considered the situation that confronted us with a broad vision, and that we should have taken into account the situation as it affected agriculture just the same as all other interests in this country. But I am very sorry to say that it looks as though agriculture has been very largely neglected.

That is regrettable. Every citizen realizes the importance of the farming industry of the country, and everyone realizes the farmer's desperate condition and his need for some assistance.

I do not know that I would have suggested the particular character of legislation which has been proposed by the Senator from Nebraska, but, as he has stated, we have gone on record in favor of this legislation heretofore, and in the hope that it may be of some assistance to our farming interests throughout the country, which are sorely in need of encouragement and assistance from the Government, I hope we will adopt the motion and then agree to the amendment.

Mr. NORRIS. Mr. President, it seems to me not only in matters of this kind but of every kind, we ought to take the practical view of the situation. Let us do that now and see what confronts us. Congress has passed this bill suggested by my colleague almost in its present form, although as it passed it applied to other agricultural products besides wheat. This is the McNary-Haugen bill confined to wheat.

We passed it through the Senate more than twice. It once passed the Senate and failed in the House. It then passed the Senate and passed the House, and was vetoed by the President. Everybody knows—it is no secret—that President Hoover is opposed to the principle involved in the McNary-Haugen bill. He always has been opposed to it. He is likewise opposed to the debenture plan which we passed two or three times in the Senate. Through his influence it was killed in conference or in the House.

When he ran for President one of the propositions he laid before the American people was that if he were elected he would do something for agriculture, that he would place the farmer on an equality with the manufacturer, that he would give the farmer the benefit of the tariff. Millions of people believed he would and that he could. He was "the miracle man" then. They took him at his word, and by an overwhelming majority he was elected.

He undertook to redeem that promise, and the result was the present act providing for the Federal Farm Board. That is his baby; that is his redemption of a preelection promise. That is the bill that was going to place the farmer on an equality with the manufacturer.

Through his influence, also, in redemption of another promise we passed a tariff act that was going to put the farmer on a basis of equality with others under the protective tariff. The Farm Board bill was passed and the tariff bill was passed, and those were the President's two promises to agriculture, and I think everybody here knows the result.

Of course, we would not be able to know definitely, but we are practically certain that if this amendment were put upon the bill the bill would be vetoed by President Hoover. I am not criticizing him, and he would have a perfect right to do that, but I want to call attention to the fact that the President is opposed to that kind of legislation; he is opposed to every bill relieving the farmer the Congress has passed in the past.

Go back to the time soon after the war, when we had pending before us here in the Senate, and had the votes to pass it through the Senate, a bill which would have provided for the establishment of a very large governmental corporation to buy farm products from farm organizations, setting up sales establishments all over the civilized world to handle them. It was defeated to a great extent through Mr. Hoover's influence. Again, let me say, he had a right to his views, and I am not objecting to his entertaining them. I am only calling attention to the fact that time and time and time again the Congress, sometimes with a bill ready to go to the White House, at some step in the legislative procedure met the opposition of Herbert Hoover and was defeated.

I get just a little bit tired of men and papers continually saying, "What has Congress done for the farmer?" It has been defeated by the White House in every great farm measure we have tried to enact, or through White House influence.

We might just as well face the fact that we can not get any legislation unless we can muster two-thirds in the House and in the Senate, as long as Herbert Hoover is in the White House. We all know that to be true. I am not telling Senators anything they do not all know.

When the blame, day after day, and by Members of the Senate, even, and by the newspapers of the country, even by the farm interests, is laid at the door of Congress for the failure to enact farm relief, it ought to be carried to the White House.

Right or wrong, I am not even contending that anybody is right, or that anybody is wrong, but particularly as to the measure that my colleague has offered, there is no hope of getting it enacted into law as long as anybody is President of the United States who holds the ideas that President Hoover holds.

I do not like to have put up to me always, day after day, the failure of legislation. I know it is not a beautiful picture. I realize that it is not a nice thing to look at, but it is the truth and everybody knows it.

The Farm Board bill was passed. That is Hoover's bill. I said when it was before us that I was going to vote for it because I had always felt, every time we brought in a bill from the Committee on Agriculture and Forestry that we thought might relieve agriculture, that we always met the presidential influence and went down to defeat at one stage or another. I said then, I often said and repeated it over and over here and elsewhere, that we have done the best we could. In good faith we brought in this bill and that bill. We disagreed among ourselves sometimes about the details. Some of us sometimes had doubts about some of the details. But I realized the condition of stricken agriculture. We knew that down at the bottom of our structure agriculture is foundation stone, and if it is not prosperous the country can not continue in a prosperous condition. So we said, "If this is wrong, if our bill is not right, let some one else bring in a bill."

So when Mr. Hoover had this bill brought in here providing for the Farm Board I said that I did not believe it was going to bring relief to agriculture. There was, in my opinion, one necessary thing that it failed to do. I thought it could do some good if properly managed, but that it would not cure the great evil. I said the board will have to operate on the basis of the world market, and that is the great thing we were up against—the surplus that the American farmer produces, which as we know controls the entire product and thus makes it impossible for the farm producer to get the benefit of the protective tariff. While he must sell in the free-trade markets of the world, everything he buys that goes to make up his cost of living is protected, and thus the farmer has to pay an artificial price. It is unfair, of course; it is wicked as it applies to the farmer.

So I said, and so did others who had worked with me on the various bills which we reported, "Now for once"—and it was the first time—"those who have been opposing our bills have brought in one of their own." I said I was not going to do like the other side had done—just because I could not

get what I wanted, I was going to kick over what they want, but I was going to act in good faith.

I said we would support the bill and get it through. We did. The $500,000,000 of the American taxpayers' money which we appropriated has dwindled away in carrying out that experiment. I do not think it was a very noble experiment even, and yet I can see where, if it had been properly managed, they could have done some good. It should have had a tendency to equalize the great difference between the high and the low market prices of the farmers' product, but after that they always had to deal in the world market, so I did not really expect it.

The only thing that could be said in defense of it is, as has been claimed, that it raised the price of some commodities like wheat, for instance, above the world price. It is true that it did so for a while. Anybody of ordinary sense could take $500,000,000 and go out and invest it in wheat and produce an artificial price in the United States. But the operation is not yet ended. It is not yet time to boast of success because the board still have the wheat. What are they going to do with it? They will continue to hold it as they have, and, of course, it becomes a menace to every bushel of wheat produced. It is held over the market and until it is sold, until we have got through with the operation, it is too early to say whether it is a success or a failure. So I think there is nothing in the claim that it has helped materially because the injury that has come by the holding of a large amount out of the market and the injury that everybody knows must come when it is dumped upon the market yet stare us in the face.

It seems to me that if we want to be practical men, if the country wants us to be practical men, we ought to look the question in the face just as it is. We can not get this experiment tried, and we know it, as long as Herbert Hoover is in the White House. To repeat, he has just as good a right to his idea about it as I have, but he has had his experiment, and it has failed. We have never had our experiment, because through his influence the legislation at some point has been killed.

The PRESIDENT pro tempore. The question is on agreeing to the motion of the junior Senator from Nebraska [Mr. HOWELL] to reconsider.

The motion was not agreed to.

The PRESIDENT pro tempore. The bill having been read a third time, the question is, Shall the bill pass?

The bill was passed.

The title was amended so as to read: "A bill making an appropriation for the Federal Home Loan Bank Board for the fiscal year ending June 30, 1933."

ADDITIONAL BILL INTRODUCED

Mr. NORBECK introduced a bill (S. 4986) to amend section 5219 of the Revised Statutes of the United States, which was read twice by its title and referred to the Committee on Banking and Currency.

ADDITIONAL ENROLLED BILLS PRESENTED

Mr. VANDENBERG (for Mr. WATERMAN), from the Committee on Enrolled Bills, reported that on to-day, July 16, 1932, that committee presented to the President of the United States the following enrolled bills:

S. 811. An act for the relief of Sophia A. Beers;

S. 2437. An act for the relief of the estate of Annie Lee Edgecumbe, deceased; and

S. 4712. An act authorizing the sale of certain lands no longer required for public purposes in the District of Columbia.

SCOTS AND SCOTTISH INFLUENCE IN CONGRESS—AN HISTORICO-ANTHROPOLOGICAL STUDY

Mr. NORBECK. Mr. President, I ask leave to have printed in the RECORD an article on Scots and Scottish Influence in Congress—An Historico-Anthropological Study by Dr. Arthur MacDonald, of Washington, D. C., formerly fellow of Johns Hopkins University.

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

[Reprinted from the transactions of the Illinois State Historical Society]

SCOTS AND SCOTTISH INFLUENCE IN CONGRESS—AN HISTORICO-ANTHROPOLOGICAL STUDY

(Being a chapter in the scientific study of modern civilized man by Dr. Arthur MacDonald, Washington, D. C., formerly fellow of Johns Hopkins University)

For many years the author has studied unfortunate and unsuccessful individuals in the community, all of whom were in institutions. Such persons are usually classed with the abnormal, but as a matter of fact, probably three-fourths of them (excepting the insane and feeble-minded) are as normal as other people. While it is important to investigate these so-called abnormals and unsuccessful ones, it is much more important to study those who are successful in the community, that is, persons of ability, talent, or genius. The methods of study are the same for both normal and abnormal.

ANTHROPOLOGY OF MODERN MAN

A study of the Scots and Scottish influence in Congress comes under the general head of anthropology, but anthropology of modern man and not of dead, savage, and prehistoric man, to which anthropologists have given almost all their attention.

That the study of modern man is a new direction for anthropological research is shown by the fact that the first scientific investigation ever made of a human being was that conducted upon Emil Zola by some 20 French specialists in anthropology, psychology, and medicine; this was published in 1897.

It may seem strange that anthropology has been occupied so little with the study of modern man. Whatever the cause of this neglect, it is due time that man, as he is now, be studied, if for no other reason than to remove the stigma of our ignorance of human beings as contracted with our much more accurate knowledge of animals.

From the anthropological point of view, history can be regarded as a subject for scientific investigation, with a view of understanding man better and assisting in his development and progress. Here man can be considered both as an individual, organization,[1] nation or group of nations.[2] It is true that other branches, like history and politics have pursued these fields, but unfortunately not always in the scientific spirit. To cite an ancient pun, it is his story, rather than all the facts.

HISTORY OF SCOTCH BLOOD

There is a tradition that the Scotch were originally a Greek tribe. Tacitus speaks of campaigns against the early Scotchmen, called Calledonians, as though often defeated in battle but never subdued. Scotch leaders may be conquered, but the people are very difficult to suppress.

The inhabitants of Scotland, called Scots or Scotch (after a Celtic tribe originally from Ireland) are derived from widely different stocks. The most primitive races were long-headed (dolicocephalic); following these, came a broad-headed (brachy-cephalic) people, tall, with large jaws and faces; the third ingredient is a teutonic long-headed race of lofty stature. From the stone age to the eleventh century, there is evidence of a continuous Scandinavian invasion, entering largely into the blood of the Scotch Highlanders, who are the tallest people in the world, with an average height of 1,746 meters. Their cephalic index is 76.2—77.9. The population of Scotland contains only a small number of non-Scots; in 1911, only 8 per cent were non-Scotch, and more than half of these were Irish. The foreign element is only about one-half of 1 per cent. The mass of the people are Presbyterians.

GENERAL CHARACTERISTICS OF THE SCOTCH

The chacteristics of the Scotch are found in almost all peoples, but some qualities seem to be more dominant in the Scotch than in other nations.

The Scots have been especially noted for three things: Independence, persistence, and zeal for education. Thus, the history of almost any of the Members of Congress with Scotch blood will illustrate these characteristics. The Scotchman sinks his nationality in the country of his adoption; he makes himself at home in all countries and is internationally popular. The Scotch are rational wanderers and good colonizers. It has been predicted that when the North Pole is finally discovered, a Scotchman will be found astride of it.

The Scotch have little fear, can endure great privation and peril, but they are not easy to live with if one does not agree with them. They are not fussy agitators, not visionaries, but cool, calculating, and practical, with hard-headed horse sense. Charlatanism and quackery have no place for the Scotsman.

Their family feeling was intense, yet it had little effusive expression; the men were not given to emotional exhibitions of any kind, yet the Scotchman will make any sacrifice for his family, and if necessary would not hesitate for a moment to give up his life. The Scotch have always accorded woman a very high place.

[1] See Senate Document (by author) No. 532, Sixtieth Congress, first session, where a summary of this study is given.

See a study of the United States Senate (by the author) published in Spanish, under the title of "Estudo del Senado de los Estados Unidos de America," in Revista Argentina de Ciencias Politicas, 21 de Enero de 1918. Buenos Aires, 1918.

[2] "Mentality of Nations" (by author). Open Court, Chicago, August, 1912. Here nations are compared as to their educational and intellectual status.

The Scots were so thorough and persistent that when they went wrong they preferred grand rather than petty larceny, and if it were murder it was generally to hang.

In war if the enemy gave up entirely he was treated with magnanimity. The Scotch had their faults, but they were of force and violence, not of cowardice and treachery; they may have been hard at a bargain, but once made, it was carried out to the letter; their integrity was unquestioned. Their hatred for tyrants was inborn.

SCOTCH AS LEADERS IN EDUCATION

In 1496 popular education was strongly advocated in Scotland, even compulsory education for eldest sons of freeholders and persons of substances was the law.

Scotland recognized the value of Newton's work 35 years before England did. Napier in the sixteenth century of social and ecclesiastical turmoil, was the inventor of logarithms. The supremacy of the Scotch in the British Isles, elementary and secondary education is generally acknowledged. In proportion to population, Scotland has a much larger number of university students than England.

The Scotch-Irish schoolmaster was a familiar figure in the early formative period of American education. The American school system has a Scottish stamp; the American university resembles the Scotch more than the English. The Scotch had such great respect for learning that they would not listen even to a Calvanistic preacher unless he had a classical and theological education.

Of the college men in the Constitutional Convention, more than one-half were of Scotch descent.

SCOTCH IN AMERICA

The first notable Scotch arrivals in America were shipped as prisoners of war, sentenced to be transported to American plantations and sold into service. No man ever came under such discouraging conditions. Yet the Scotch have cut deeper into the history of the United States, probably, than any other nationality, though they have not been the most numerous or boastful.

The Scotch in America have shown practically the characteristics of their mother country. They are persons of few words, dislike of display, quiet and undemonstrative in behavior, but more firm and determined in spirit; cautious and reserved, but energetic and tenacious with a capacity for hard work which with patience, courage, and endurance is liable to result in success. "Vigorous initiative" is a phrase especially fitting the Scotch. Roosevelt in his "Winning of the West" calls the Scotch a "stern and virile people," and speaks of the leaders of national expansion, who had Scotch-Irish as "dominant strains" in their blood.

THE SCOTCH AS POLITICAL LEADERS

Bancroft, a typical New Englander, says that the first voice raised in America to dissolve all connection with Great Britain, did not come from Puritans in New England, nor Dutch in New York, but from Scotch-Irish Presbyterians.[3] It was Patrick Henry, a Scot, who said, "I know not what course others may take, but as for me, give me liberty or give me death." It was John Witherspoon, of New Jersey, James Wilson, of Pennsylvania, and Edward Rutledge, of South Carolina, who were of the 11 Scotchmen who signed the Declaration of Independence. Witherspoon said, "He that will not respond to its accents and strain every nerve to carry into effect its provisions, is unworthy of the name of freeman." On this appeal the Declaration of Independence was signed. It is the handwriting of a Scotchman (who was Secretary of the Congress), publicly read to the people by a Scotchman and first printed by still another Scotchman. Of the 54 members of the Convention for the new nation, 12 were of Scotch descent, but on many occasions they had much more influence than their numbers show. One Scot stood easily at the head, and for intellectual eminence and statesmanship outranks them all; it was Alexander Hamilton, who was a Member of Congress at 25 years of age.

In an original study of the "Distribution of Ability in the United States,"[4] by Senator Lodge, the distinguished author finds that in statesmen Virginia leads, with Massachusetts, New York, and Connecticut closely following; and that as to nationality, the Scotch-Irish and Scotch lead in statesmen.

From 1860 to 1900, there have been in the United States some 80 Senators of Scotch descent; among whom are Blair, Cameron, Cockrell, Logan, McPherson, Teller, McEnery, Vance, Blaine, Breckenridge, Morton, McCumber, and Beveridge.

REFERENCES

Baring-Gould, Sabine: Family Names and Their History. London, 1910. Chapter XVIII gives Scottist and Irish surnames.

Dinsmore, John W.: The Scotch-Irish in America. Chicago, 1906, 257 pages, 12°, describes a typical neighborhood.

Ford, Henry J.: The Scotch-Irish in America. Princeton, N. J., 1915, 607 pages, 8°, 432 pages.

Hanna, Charles A.: The Scotch-Irish, or the Scot in North Britain, North Ireland, and North America. New York and London, 1902. See Chapter III, "Scotch-Irish in American Politics." Volume 2 contains an extensive Scotch-Irish bibliography.

McLean, John P.: An Historical Account of the Settlements of Scotch Highlanders in America Prior to the Peace of 1783. Cleveland, Ohio, 1900, 459 pages, 8°. Chapter II is entitled "The Scotch-Irish in America."

Reid, Whitelaw: The Scot in America and the Ulster Scot, substance of addresses before societies. London, 1912, 67 pages, 8°.

Ross, Peter: The Scots in America. New York, 1896, 446 pages, 8°. Chapter X is entitled "Statesmen and Politicians," and Chapter XV, "Distinguished Highlanders in American Interests."

SCOTCH INFLUENCE IN THE SENATE OF THE SIXTY-SECOND CONGRESS

English, Irish, and other blood should be studied as to its influence in Congress as well as Scotch blood.

Inasmuch as the Senators who have favored me with the details of their Scotch ancestry have had very different lengths of service, it is impossible to estimate by statistical methods their legislative success or ability. As many of the Senators, however, both Scotch and non-Scotch, were Members of the Senate of the Sixty-second Congress, I shall utilize a detailed study which I made of that Senate, published in Spanish,[5] but not as yet in English.

The Senate of this particular Congress was selected because it might be called a normal Senate. The majority party had been in power for a long while, and the Senate had settled down to what might be called the regular order.

The present study of Scottish influence upon legislation in this Senate is new and an additional chapter to the study in Spanish. Thus opportunity will be afforded for comparison between Scotch and non-Scotch ingredients. Therefore, before presenting the main legislative activities of individual Scotch Senators, it will be more instructive and satisfactory to make an investigation in the Senate of the Sixty-second Congress. While the conclusions drawn apply only to this particular Senate, they are liable to be approximately true of other normal Senates.

SCOTCH MORE PROGRESSIVE AND MORE FAITHFUL IN VOTING

Table 1 gives percentages of attendance at quorum and yea-and-nay calls of the Senate of the Sixty-second Congress as a whole, of its political divisions, and the Senators with Scotch blood similarly classified. It may be noted incidentally that Senators as a body attend yea-and-nay calls 10 per cent more than they do quorum calls, contradicting a statement sometimes made that Senators dodge voting.

TABLE I.—*Quorum and yea-and-nay calls (percentages)*

	Number	Per cent	Quorum	Yea and nay	Increase in voting
The Senate	80	100	59	69	10
Democrats	34	43	55	66	11
Republicans	46	57	62	77	15
Senators with Scottish blood	18	22	57	68	11
Republicans with no Scottish blood	36	79	63	71	8
Republicans with Scottish blood	10	21	60	68	8
Democrats with no Scottish blood	26	77	55	65	10
Conservative Republicans with Scotch blood	5	50	60	63	3
Progressive Republicans with Scotch blood	5	50	60	73	13
Conservative Republicans	34	74	63	70	7
Progressive Republicans	12	26	61	75	16

It will be seen from this table that the progressive Republicans constitute 26 per cent of all Republicans, but that the Scotch progressive Republicans constitute 50 per cent of all Scotch Republicans; that is, Scotch blood flows relative almost double the amount of progressiveness, illustrating the reputation of the Scotch for persistence in demanding independence. It appears also that Scotch progressive Republicans attend quorum calls the same (60 per cent) as Scotch conservative Republicans, but in the yea-and-nay calls they excel the conservatives by 10 per cent. As between Democratic and Republican Senators, the relative number of Scotch is about the same. As between Democrats with Scotch blood and those without, the Scotch answer yea-and-nay calls 3 per cent more.

In Table II will be found percentages as to educational status and geographical position of all Senators with Scotch blood and those without Scotch blood; also, Scotch and non-Scotch Senators can be compared as to previous legislative experience in State legislatures and House of Representatives. In the last part of the table are given averages for frequency of remarks on the floor and number of subjects discussed. Beginning at the top of the table, it will be seen that 37 per cent of Senators with Scotch blood are university men and 52 per cent college men and only 11 per cent with common-school education. These percentages are much greater than those for all Senators and non-Scotch Senators, showing decided educational superiority of the Scotch. Also it will be seen that relatively a very large proportion (61 per cent) of Scotch Senators went to the Western States, confirming the pushing and aggressive nature of the Scotch. The Scotch have distinctly less (10 per cent) previous legislative experience before coming to the Senate than the non-Scotch.

[3] Bancroft, George, History of the United States, vol. 5, p. 11.

[4] Lodge, Henry Cabot—"The Distribution of Ability in the United States," Century Magazine, September, 1891.

[5] Estulio del Senado de los Estados Unidos re America, Revista Argentina de Ciencias Politicas, 12 de Enero de 1918. Buenos Aires, pp. 390–410.

TABLE II.—*Scotch superior in education and knowledge*

Educational, geographical, and legislative divisions	All Senators	Scotch Senators	Non-Scotch Senators
	Per cent	*Per cent*	*Per cent*
University men	25	37	20
College men	47	52	46
Common-school education	28	11	34
Eastern States	2	10	33
Western States	42	61	38
Southern States	29	29	29
Previous legislative experience	64	55	66
Previously in House of Representatives	32	22	35
Reared in rural districts	67	73	66
Reared in city	33	27	33
Professional men	79	89	76
Business men	21	11	24
Breadth of knowledge	(1)	(1)	(1)
Frequency of remarks	166	204	155
Number of subjects discussed	50	60	48
Age in years	59	56	59

[1] Average.

It will be noted that a much higher per cent of the Scotch (73) are reared in the country than other Senators.

As in their educational status, the Scotch stand much the highest, as they show distinctly the largest per cent (89) of professional men and lowest per cent (11) of business men, as compared with other Senators.

In regard to frequency of remarks on the floor, the Scotch average very much the highest (204), and likewise as to average number of subjects discussed they distinctly excel. The author has shown in his study of the Sixty-second Senate in Spanish that in general the best educated Senators stand the highest in frequency of remarks and number of subjects discussed. Frequency of remarks has no relation to long speeches, but indicates broader intellectual interest in legislation. Number of subjects discussed also shows greater breadth of knowledge. The Scotch are, in general, younger than other Senators, their average age being 56, as over against 59, the average of the Senate as a whole.

ESTIMATE OF LEGISLATIVE ABILITY

The schedule and scale of units of value on which an estimate of legislative ability is based are presented in Table III. By a careful examination of this table it will be seen that only 2½ per cent of private bills introduced, 10 per cent of public bills, 24 per cent of joint resolutions and 44 per cent of pension bills were enacted into law. The unit scale of value or of successful legislation is based upon private bills, the most difficult to have enacted into law. If we let 2½ per cent represent units of value, that is, if every private bill enacted into law counts 100 units, then, since 10 per cent of public bills became law every public bill enacted into law will count 25 units, every joint resolution 10 units, every pension bill 6 units, and so on. In short, the scale is based upon the degree of difficulty in passage of bills and resolutions. Thus, if a Senator introduces a private bill and gets it enacted into law, it counts 100 units; if it passes the Senate only, 25 units. While it is true, in exceptional cases, another Senator may get false credit, in the great majority of cases it is not true; also, exceptional cases may balance each other following the general law of averages.

TABLE III.—*Scale of units of value*[1] *and schedules*

Bills and resolutions	Per cent	Reported scale of units	Per cent	Passed Senate, scale of units	Enacted into law	
					Per cent	Scale of units
Private bills	12	20	10	25	2.5	100
Public bills	35	7	30	8	10	24
Joint resolutions			42	6	24	10
Pension bills			50	5	44	6
Concurrent resolutions			67	4	[2] 56	4
Senate resolutions			74	3		

[1] Fractions are omitted in unit scale.
[2] Passing both houses.

LEGISLATIVE SUPERIORITY OF SCOTCH BLOOD

Applying then our schedule of legislative units of value to the political divisions of the Senate of the Sixty-second Congress and to the Senators with and without Scotch blood, the results will be seen in Table IV.

The table shows that Democratic Senators, as a whole, are almost three times less successful in securing legislative results than the Republicans. This, however, is easily understood from the fact that minority parties do not hold themselves politically responsible for legislation. If the Senate were studied when the Democrats were the majority party, comparisons might be made.

It will be seen that the progressive Republicans are distinctly inferior in obtaining legislative results as compared with the conservative Republicans. This doubtless is due mainly to the fact that they do not always vote with their party and naturally could not expect to be assigned to important committees as frequently as those who are strict party men. Moreover, they are younger and have not been in the Senate as long as the conservative Republicans. In addition, their legislative efforts are liable to meet with stronger opposition than the legislative measures of the conservative Republicans.[6]

In regard to the influence of Scotch blood, it will be seen from Table IV that as between Senators with and Senators without Scotch blood there is practically no difference in legislative success, their average units value being nearly the same for both public and private bills. But comparing Scotch progressive Republicans with progressive Republicans not Scotch, thus eliminating the legislative disadvantage of progressivism, it will be seen that the Scotch blood is greatly superior to the non-Scotch, it being 409 units of value over against 298 similar units of value for public and private bills combined. That this legislative superiority of Scotch blood is not accidental is shown further by the fact that conservative Republicans with Scotch blood are distinctly superior in legislative results to conservative Republicans without Scotch blood, the average units of value being 626 over against 525.

TABLE IV.—*Application of unit value*

Political and Scotch divisions of Senators	Average units of values—Bills		
	Public	Private	Both
Democratic Senators	76	121	197
Republican Senators	156	343	499
Conservative Republicans	161	373	534
Progressive Republicans	126	259	385
The Senate as a whole	122	250	372
Senators with Scotch blood	121	251	372
Senators without Scotch blood	123	250	373
Scotch Progressive Republicans	109	300	409
Progressive Republicans, not Scotch	102	196	298
Scotch Conservative Republicans	201	425	626
Conservative Republicans, not Scotch	161	364	525

Practically considered, legislative success in obtaining results is synonymous with legislative ability, otherwise it might throw doubt upon the integrity of senatorial rules and activities.

TABLE V.—*Conclusions as to the Senate of the Sixty-second Congress*

In order to understand better the study of Scottish influence in the Senate of the Sixty-second Congress it will be helpful to state some of the conclusions based upon the history of the legislative activities of 80 Members of that Senate in detail, based upon Table V.

As already intimated, these conclusions apply only to this Senate, yet they create a presumption of their general application to other similar Senates.

As an illustration of the method of estimating the rank of a Senator we will take Senator No. 1 of Table V, who stood the highest in results of public legislative activity.

The units of value for the reporting, passing, and enacting into law bills and resolutions will be found in Table III.

1. The Republican progressives show a higher percentage of attendance at yea-and-nay calls than the conservative Republicans (70 per cent).

2. Senators who are business men have a higher percentage (61) of attendance at quorum calls than professional men (58) but a lower percentage (66) at yea-and-nay calls than professional men (69).

3. Chairmen of important committees show the highest percentage of attendance (66) at quorum calls.

4. In general more than half of the bills introduced in the Senate receive little or no attention.

5. The progressive Republicans held the highest average (240) in frequency of remarks on the floor, the conservative Republicans coming second (167), which is very much lower. The Democrats have a still lower average of 138.

6. Frequency of remarks on the floor increases as the degree of education increases; the average for university men is 233, college men 147, and Senators with common-school education 137.

7. Of the Democrats 35 per cent and of the Republicans 17 per cent are university men, but 54 per cent of the Republicans are college men over against 38 per cent of the Democrats.

8. Senators without previous legislative experience before coming to the Senate show the least legislative success or ability.

These conclusions apply only to groups of Senators, and not to individual Senators.

		Units of Value
Number of public bills reported only	(Column 11)	23 × 7 = 161
Number of public bills passed by Senate only	(Column 12)	44 × 8 = 352
Number of public bills enacted into law	(Column 13)	14 × 25 = 350
Joint resolutions passed by Senate only	(Column 14)	2 × 6 = 12
Joint resolutions enacted into law	(Column 15)	4 × 10 = 40
Concurrent resolutions passing the Senate only	(Column 16)	1 × 3 = 3
Senate resolutions adopted	(Column 18)	25 × 3 = 75
Total units of value for public legislative activity		993

[6] For further data on these points, see articles on the study of the Senate in Spanish already referred to.

SCOTCH SUPERIOR IN INITIAL LEGISLATIVE ACTIVITY

Some Senators may not be very successful in obtaining legislative results, due either to their relatively short time in the Senate, or their belonging to the minority party, or their opposition to their own party. But, nevertheless, they may have shown much legislative effort or activity in the way of introducing bills, offering amendments, submitting motions and resolutions, petitions and memorials, or by frequency of remarks on the floor of the Senate. These activities come under the head of initial legislation, as indicated in Table VI.

From a general survey of Table VI, it will be seen that with few exceptions (mostly unimportant) the averages of initial legislative activity for Senators with Scotch blood are distinctly higher than for non-Scotch Senators. Beginning at the top of Table VI, it will be noted that Republicans with Scotch blood show distinctively higher averages than the non-Scotch Republicans in introducing public bills, offering amendments and in frequency of remarks on the floor of the Senate and in number of subjects discussed; but they have distinctively less averages for submitting motions and resolutions and presenting petitions and memorials; these last two forms of initial legislative activity are more of a formal nature. Also, the Scotch Democrats excel the non-Scotch in every form of initial activity except the introduction of private bills.

Eliminating the factor of progressivism, we find that the Scotch progressive Republicans and the Scotch conservative Republicans (especially) are superior to the non-Scotch. Comparing the Northern Democrats-Scotch and the Southern Democrats-Scotch with the non-Scotch, respectively, the Scotch distinctly excel in the introduction of public bills, in amendments offered, in frequency of remarks and number of subjects disclosed; that is, in the most important initial legislative activities.

TABLE VI.—*Initial legislation in Senate of Sixty-second Congress*

Political and geographical divisions and Scotch ancestry	Initial legislative activities in averages							
	Public bills and joint resolutions introduced	Private bills introduced	Pension bills introduced	Amendments offered	Motions and resolutions submitted	Petitions and memorials presented	Number of subjects discussed on floor of Senate	Frequency of remarks on floor of Senate
All Republicans—Scotch blood	34	16	69	33	14	48	59	212
All Republicans—non-Scotch	27	17	73	22	24	69	52	177
All Democrats—Scotch	20	15	48	23	13	42	61	193
All Democrats—non-Scotch	15	23	23	16	7	23	42	121
Progressive Republicans—Scotch	20	14	54	20	13	43	64	204
Progressive Republicans—non-Scotch	24	6	23	25	15	26	64	259
Conservative Republicans—Scotch	48	19	85	46	18	54	56	250
Conservative Republicans—non-Scotch	28	20	85	21	26	79	50	157
Northern Democrats—Scotch	26	20	62	29	14	32	50	160
Northern Democrats—non-Scotch	18	13	43	18	9	49	44	131
Southern Democrats—Scotch	19	11	15	23	13	31	69	211
Southern Democrats—non-Scotch	11	30	17	13	7	9	40	114
Northern Democrats (all)	20	14	47	21	15	45	45	138
Southern Democrats (all)	13	25	16	16	8	15	47	138

NUMBER OF GREAT STATESMEN DECREASING

It is a frequent remark that our modern statesmen do not seem to measure up to those in our early history. This is true, but it is a necessary result of biological law. Though the effects of education and environment are not inherited, they can be handed down to later generations through custom, tradition, and history. So while we do not inherit them through the germ cells, we do receive them from the social organism. In this sense "We are the heirs of all the ages."

DECREASE OF GREAT MEN CAUSED BY MODERN CIVILIZATION

This social inheritance causes the environment to grow more and more complex, while our inherited natures remain unchanged. This produces disharmony and disturbance, and sometimes the elimination of those not able to adapt themselves to new conditions. Our mental and moral environment has come to us with ever-increasing increments, but our inherited natures and abilities have remained fixed. Social heredity has outrun germinal heredity. The struggle between these two forms of heredity, due to the requirements of modern civilization, fortunately is now better understood than in the past.

No modern race of men are equal to the ancient Greeks, who in two centuries produced a galaxy of illustrious men never found since. The average ability of the Athenian race at this period (530 to 430 B. C.) was (according to Galton), on the lowest possible estimate, as much greater than that of the English race of the present day, as the English race is above the African Negro in average ability.

POWER OF MEDIOCRITY DECREASES NUMBER OF GREAT MEN

It has been found that fathers 72 inches in height had sons with a mean stature of 70.8 inches, which is a regression toward the normal stature of the race. Again, fathers 66 inches in height had sons with a mean stature of 68.3 inches, which is a progression toward the normal. This tendency of average height or mediocrity of stature produces the regression or progression to the average or normal type and applies generally because man is subject to heredity in every aspect of his physical and mental make-up.

It has been found that extreme peculiarities of parents are less extreme in children, and that the most gifted parents can not expect to have children as gifted. This is called the law of filial regression, which is a tendency to the average or mediocrity. For ages the mountains have been washing down into the valleys, and while the general level has increased in height the peaks have been disappearing, so that we seem to be slowly approaching a generation of exaltation of mediocrity.

BIBLIOGRAPHY OF AUTHOR'S PUBLICATIONS

This study of Scots in Congress is, as already noted, a line of investigation which belongs under the head of Anthropology of Civilized Man, and is a relatively new direction for anthropology.

In order to indicate the varied nature and extent of all such inquiries in a practical way, a list of the author's publications is given. They have proven to be more or less of a pioneer character, and deal with both the normal and abnormal, and in all stages from the lowest idiocy to the highest genius.

The following works and articles are arranged in chronological order. Some have been published by the United States Senate and United States Bureau of Education, and others by private agencies; the majority have appeared in specialistic journals of this and other countries. Many contain bibliographies, some of which are quite extensive:

Abnormal Man, being essays on education and crime, criminal sociology, criminal hypnotism, alcoholism, insanity, and genius with digests of literature and a bibliography. 1893. Published by United States Bureau of Education, Washington, D. C. (445 pp., 8°. 2d edition, 1895.)

Criminology, a psychological and scientific study of criminals, criminal contagion, criminal hypnotism, and recidivation, with introduction by Lombroso. Bibliography. Second edition. New York, 1894. Funk & Wagnalls, publishers. 416 pages, 120.

Le Criminel-type dans Quelques Formes Graves de la Criminalité, Jesse Pomeroy, "boy torturer" Piper; "the brainer" (Belfry case, Boston); "Jack, the Ripper" (de Londres). Bibliographie de sexualité pathologique. Troisiéme édition. Une volume en-8°, illus. trait de portraits. Publié par A. Storch, Lyon, et G. Masson, Paris, 1895. 300 pages. This work is not published in English.

Education and Patho-Social Studies, including an investigation of the murderer "H" (Holmes); reports on psychological, criminological, and demographical congresses in Europe; London slums and General Booth's Salvation Army movement. Reprint (from Annual Report of United States Commissioner of Education for 1893–94, 57 pp., 8°). Washington, D. C., 1896.

Émile Zola, a psychophysical study of Zola's personality, with illustrations; his physical and mental peculiarities, nervous system, finger imprints, morbid ideas, etc.; visual perceptions, hearing, smell, tactile sensations, perception of time, association of ideas, and suggestibility; character, method of work, etc.; with bibliography. Reprints (from Open Court, August, 1898, with appendix, 34 pp. and Practical Psychology," August, 1901), 1901.

Experimental study of children, including anthropometrical and psychophysical measurements of Washington school children; measurements of school children in United States and Europe; description of instruments of precision in the laboratory of the Bureau of Education; child study in the United States; and a bibliography. Reprint from Annual Report of United States Commissioner of Education for 1897–98, 325 pages, 8 volumes, Washington, D. C., 1899.

Hearing on the bill (H. R. 14798) to establish a laboratory for the study of the criminal, pauper, and defective classes, treating especially of criminology with a bibliography of genius, insanity, idiocy, alcoholism, pauperism, and crime, had before the Committee on the Judiciary of the United States House of Representatives, 309 pages, 8 volumes, Washington, D. C., 1902.

Senate Document No. 400, Fifty-seventh Congress, first session: A plan for the study of man, with reference to bills to establish a laboratory for the study of the criminal pauper, and defective classes, treating especially hypnotism, with a bibliography of child study. 166 pages, 8 volumes, Washington, D. C., 1902.

Statistics of crime and insanity and other forms of abnormality in different countries of the world, in connection with bills to establish a laboratory, etc. Senate Document No. 12, Fifty-eighth Congress, special session, 8 volumes, Washington D. C., 1903.

Man and abnormal man, including a study of children in connection with bills to establish laboratories under State and Federal Governments in the study of the criminal, pauper, and defective classes, with bibliographies. Senate Document No. 187, Fifty-eighth Congress, third session, 780 pages, 8 volumes, Washington, D. C., 1903.

El criminal tipo en algunas formas graves de la criminalidad. Madrid, La Espano Moderna, 170 pages, 8 volumes, 1908.

Juvenile crime and reformation, including stigmata of degeneration, being hearings on bills to establish a laboratory, etc., before Senate Committee on Education and Labor and House Committee on the Judiciary. Senate Document No. 532, Sixtieth Congress, first session, 339 pages, 8 volumes, 1908.

Study of the criminal, pauper, and defective classes. Statement before the United States Senate Committee on Education and Labor. Washington, D. C., 1908, 124 pages, 8 volumes.

Bibliography of exceptional children, and their education. Bulletin No. 32, 1912, Washington, D. C., 1913, 46 pages.

War and Criminal Anthropology. Reprint from CONGRESSIONAL RECORD, February 27 and March 15, 1917. U. S. House of Representatives. 40 pages, 8 vo.

Studies of Modern Man. A collection of 22 articles, in part reprinted from scientific periodicals, 1911–1918.

Fundamental Peace Ideas. Reprint from CONGRESSIONAL RECORD, July 1, 1919. United States Senate. 16 pages, 8 vo.

ARTICLES IN PERIODICALS

Criminological Literature. Reprint from American Journal of Psychology, January, 1890. 12 pages.

Ethics as Applied to Criminology. Journal of Mental Science, London, 1891. 8 pages, 8 vo., reprint.

Criminal Aristocracy or the Maffia. Medico-Legal Journal, New York, 1891–1892, reprint.

Views of a Baer on Drunkenness. Andover Review, 1892, reprint. 8 pages, 8 vo.

Crime and Its Punishment. Ideas on the repression of crime, by Garofolo, Columbia Law Times, October, 1892. 4 pages.

Genius and Insanity. Reprint from Journal of Mental Science, England, April, 1892.

Neuro-Social Data. Psychological Revue, New York, 1896. 4 pages, 8 vo., reprint.

A Temporal Algometer. Psychological Revue, New York, 1898.

Children with Abnormalities. Medical Times and Register, Philadelphia, 1899, reprint.

Growth and Sociological Conditions. Boston Medical and Surgical Journal, 1899, reprint. 3 pages.

Medico-Electrical Instruments. Journal of Electro-Therapeutics, 1899 reprint. 7 pages.

Measurement of Pain. Boston Medical and Surgical Journal, 1899, reprint. 4 pages.

Types of Children in Germany. Pediatrics, New York, 1899. 4 pages.

Colored Children: a Psychophysical Study. Reprint from the Journal of the American Medical Association, May 27, 1899. 14 pages.

Surgical Operations During Hypnotic Sleep. Reprint from New York Medical Journal, June 24, 1899.

Recent Instruments of Precision, for the muscular and tactile sensations. Reprint from University Medical Magazine, Philadelphia, June, 1899. 7 pages.

Study of the Hypnotized State. Reprint from Medical Summary, Philadelphia, June, 1899. 8 pages.

Estudo Antropologico y Psico-Fisico de los Ninos de las escuelas de Washington. Boletin de las Institucion libre de ensenanza. Madrid, 1899.

El Estudio de los Ninos. Boletin del Instituto Cientifico y literario Porfirio Diaz. Toluca, Mexico, 1899. 19 pages.

Growth of Children in Germany. Pediatrics, Vol. VII, No. 12. New York City, 1899.

Instruments of Use in Dermatology. Reprint from American Journal of Dermatology, July, 1899. St. Louis, Mo. 8 pages.

Neuere Amerikanische Arbeiten auf dem Gebiete der Kinderforschung Zeitschrift fur pedagogische psychologie und pathalogie. Berlin, 1899. 10 pages.

Pedagogie Hypnotism. Reprint from Medical Progress, Louisville, Ky., September, 1899. 12 pages.

The Power of Suggestion. Reprint from Philadelphia Medical Journal, September 9, 1899.

Psychic Element in Disease and Suggestion. Reprint from Medical Fortnightly, St. Louis, Mo., September 1, 1899. 7 pages.

Un Plan Para el Estudio del Hombre. Toluca, Mexico, 1901.

Study of Children. Reprint from Everybody's Magazine, June, 1901, New York City. 9 pages.

Measurements of Girls in Private Schools and of University Students. Boston Medical and Surgical Journal, 1901. 10 pages.

Susceptibility to Disease and Physical Development in College Women. Philadelphia Medical Journal, 1901. 7 pages, reprint.

Study of Man. American Journal of Sociology. Chicago, 1901. 7 pages, 8 vo.

Reform of Juvenile Criminals. Reprint from Pedagogical Seminary. Worcester, Mass., December, 1907. 12 pages.

Mental Stigmata of Degeneration. Reprint from Buffalo Medical Journal, August, 1907. 9 pages.

Marcas Morales de Degeneracion. Societe scientifique "Antonio Alzate" Memoires, Mexico, 1907. 11 pages.

Studies of Juvenile Criminals. Reprint from Medical Record, New York City, July 20, 1907. 8 pages.

Une Observation de Meurtre par un Sadique, archives de l'anthropologie criminelle. Lyon, 1907.

Physical stigmata of degeneration. Reprints from the Medical Fortnightly, St. Louis, Mo., July 25, 1907. 20 pages.

Statistics of child suicide. Reprint from Journal of the American Statistical Association. Vol. X, 1907. Boston, Mass. 4 pages.

Moral education. American Monthly Magazine (of the D. A. R.) June, 1908. Address before many, Washington Chapter.

L'Education Morale. Revue de l' (Enseignement International.) Paris, 15 Aout, 1908. 5 pages.

Moral stigmata of degeneration. Reprint from "Monist." Chicago, January, 1908. 12 pages.

Reform of wayward youth. Reprint from Sewanee Review, Sewanee, Tenn., January, 1908. 24 pages.

Beikohuniokern furyoojino kanka (reform of children in the United States). Kyooiku Jiron, Tokyo, January 15, 1908. 5 pages.

Statistics of alcoholism and inebriety. Journal of Inebriety, autumn, 1909. Boston. 18 pages.

Death penalty and homicide. American Journal of Sociology. Chicago, July, 1910. 28 pages; also published in Japanese, Journal of Statistical Society of Tokyo.

Criminal statistics in Germany, France, and England. Journal of American Institute of Criminal Law and Criminology, Chicago, 1910.

Entwickelungsfehler der kinder. Jahrbuch für Kinderheilkunde, Berlin, 1910.

Mattoids (Cranks). Reprint from Medical Fortnightly. St. Louis, Mo., April 25, 1911. 12 pages.

Eccentric literature. The Monist, Chicago, July, 1911. 12 pages.

Statistics of congressional life and activity (plan of). Hearing before the Committee on Printing, House of Representatives, August 12, 1911.

Mental ability in relation to head circumference, cephalic index, sociological condition, sex, age, and nationality. Journal of American Statistical Association. Boston, December, 1911. 9 pages, 8vo.

Traumatic hypnotism. American Medicine. New York, September, 1911. 4 pages. 12 vo.

Assassins of Rulers. Journal of American Institute of Criminal Law and Criminology, Vol. II, No. 4. Chicago, November, 1911. 16 pages, 8 vo.

Sur la Creation D'un Laboratoire Federal de Criminologie aux Etais Unis, Archives, d'Anthropologie Criminelle, Lyon et Paris, 15 Mars, 1911. 3 pages, 8 vo.

Education y Criminalidad. La Escuela Moderna. Madrid, April de 1912. 13 pages.

Studie uber Verbrechen Jugendlicher. Archiv für Kriminalanthropologie und Kriminalistik. Band 46, Leipzig, 1912. 7 pages.

Study of Criminal Man, in connection with the author's letter, sent out by the State Department to foreign countries. Criminal Law Review, February, 1915, Madras, India. 10 pages.

Mentality of Nations, in connection with patho-social conditions, Bibliography. The Open Court, Chicago, August, 1912. 11 pages; also published in Scientific American, New York City, and in Nature, November 14, 1912, London.

Mentalidad de Nacion. Archivos de Pedagogia y Ciencias afines. Mayo de 1912. Buenos Aires.

A Study of Congress (plan proposed). Lawyer and Banker, New Orleans, December, 1914. 7 pages.

Principles of Criminal Anthropology. Medico-Legal Journal, special historical sketches, November, 1914, New York City. 5 pages; also in Pacific Medical Journal, San Francisco, Calif.; Maryland Medical Journal, Baltimore, December, 1914; Alienist and Neurologist, St. Louis, February, 1915; Educational Foundations, New York City, January, 1915, etc.

Die Geistige Betagung der Volker. Archiv für die gesamte Psychologie, Leipzig, 1915. 17 pages, 8 vo.

War and Criminal Anthropology. Pan American Magazine, New Orleans, February, 1915. 8 pages, 8 vo.; also in the New Age (Masonic), Washington, D. C., April, 1915. 4 pages; Pacific Medical Journal, San Francisco, April, 1915. 11 pages.

Humanizing Criminal Law. Case and Comment, vol. 18, No. 12, 1912, Rochester, N. Y.; also published in Bulletin de l'Union International de Droit Penal, Vol. XIX.

Statistics of Physical Measurements and anomalies of criminals. Alienist and Neurologist, St. Louis, February, 1912.

The Would-Be Assassin of Theodore Roosevelt. Medical Times, New York, April, 1914. 15 pages.

Scientific Study of Base Ball. American Physical Education Review, Springfield, Mass., March, 1914. 22 pages.

Estudio del Senado de los Estados Unidos de America. De la Revista Argentina de Ciencias politicas, año VIII. t. 15. Buenos Aires, 1918. 24 pages, 8 vo.

Anthropometry of Civilized Man. Medical Fortnightly and Laboratory News. St. Louis, April, 1919. 8 pages, 4 vo.; also published in Chinese, Eastern Miscellany, Shanghai, China.

Will Beards Lessen Pain and Lengthen Life? Medical World, August, 1920, Philadelphia.

A Statistician. Journal of Education, Boston, 1921.

Death in Man. Medical Times, July and August, 1921, New York City.

Psychology of Death. Indian Medical Record, Calcutta, June, 1921.

Death—Psychology of Historical Personages. Amer. Journal of Psychol., October, 1921.

Kriminalpolizei und Anthropologie. Archiv fear Kriminologie und Kriminalistik, Leipsig, 1921.

Consolidation of Government Science under the Board of Regents of the Smithsonian Institution, published in CONGRESSIONAL RECORD for October 26, 1921.

WAR AND PEACE STUDIES

Peace, War, and Humanity. Printed by Judd & Detweiler, Washington, D. C., 26 pages, 1915, 8 vo.

Comparative Militarism. Reprint from publications of the American Statistical Association, Boston, December, 1915, 3 pages, 8 vo.

Atrocities and Outrages of War. Reprint from the Pacific Medical Journal, San Francisco, April, 1916, 16 pages, 8 vo.*

Some Moral Evils of War. Reprint from Pacific Medical Journal, San Francisco, August, 1915, 8 pages, 8 vo. Refers especially to Boer War.

Reasons for Peace. Machinists' Monthly Journal, Washington, D. C., July, 1916, pages 708–710, 8 vo.

Choosing Between War and Peace. Reprint from Western Medical Times, Denver, Colo., 6 pages, 8 vo.

Statement of European War. Reprint from Pacific Medical Journal, San Francisco, Calif., February, 1917, 8 pages, 8 vo.

Prevention of War. Reprint from CONGRESSIONAL RECORD, Washington, D. C., February 27, 1917, 8 pages, 8 vo.; also reprint 7 pages, 8 vo.

Military Training in Public Schools. Educational Exchange, Birmingham, Ala., February and March, 1917.

Our national defense. Testimony of American officers as to difficulties of invasion, and our coast defenses. CONGRESSIONAL RECORD for March 15, 1917; also reprint, 10 pages, 8 vo.

La humanidad y la guerra. La Escuela Moderna. Junio, 1917. Madrid. 11 pages, 8 vo.

Identification of soldiers after death, and head measurements. Boston Medical and Surgical Journal, June 13, 1918; also reprint, 8 pages, 8 vo.

Revolutions. Journal of Education, Boston, Mass., December 26, 1914, 4 vo.

Anthropometry of soldiers. Medical Record, New York City, December 14, 1918; also reprint, 17 pages, 12 vo.; also, in Our State Army and Navy, Philadelphia, April, 1919.

Psychology of Swiss soldiers. Arms and the Man, Washington, D. C., 1918; also, in Journal of Medicine and Surgery, Nashville, Tenn., March, 1919.

International Psychology and Peace. Chicago Legal News, May 1, 1919.

Suggestions of the peace treaty of Westphalia for the peace conference in France. Journal of Education, Boston, Mass., March 27, 1919; also, in Open Court, April, 1919; also (in German), Milwaukee Herald, April, 1919; also (in Norwegian) in Amerika, May 16, Madison, Wis.; in "La Prenso" (Spanish), San Antonio, Tex., Lunes 19 de Mayo de 1919; "Nardoni List" (Croatian), June 8, 1919; also in "Rivista d'Talia," Milano, April, 1919.

Antropometria militar. Revista de Medicina y Cirugia. Habana, April 10, 1919. Read before the Academy of Sciences of Habana.

Disequilibrium of mind and nerves in war. Medical Record, New York City, May 3, 1919; also, reprint, 12 pages, 12 vo.

ARTICLES OMITTED

Courses in Criminology at Clark University, Monist, October, 1890.

Alcoholism. Independent. New York City, July 11, 1891.

A Laboratory for Sociological, Medical, and Jurisprudential Purposes. American Law Review, December, 1891; also in report of American Bar Association, 1904.

The Science of Crime. Lend a Hand, February, 1892.

Criminology. New Englander and Yale Review, January, 1892.

Study of the Criminal. "Summary," published in Elmira Reformatory, October 9, 1892.

Criminal Contagion. National Review, London, November, 1892.

La Sexualite' Patho-Criminelle. Archives de l'anthropologie criminelle. Lyon, November, 1892.

Insanity and Genius. Arena. Boston, June, 1893.

Public School Children. Measurements to determine their physical condition. Verhandl der Berliner Gesellschaft fur anthropologie, 1893, zeiten 355–357.

Observations et Experiences Psycho Physoologiques Sur Les Enfants. Revue scientifique, Paris, juillet, 1899.

Experimental Study of Children. The School World, London, July 15, 1899.

Measurements of Pain. Psychological Review, March, 1899.

Ifanculli Delif Scuole d Washington. La Pivesta Moderna, Italy, 1899.

Om Maaling of Bern. I Anledning af en Undersagelse af Skoleboon i Washington. Vor Ungdom Kopenhagen, 1899.

Alcoholic Hypnotism. Quarterly Journal of Inebriety, XXII, 30–38.

Hypnotism. The Chautauqua, September, 1899.

Measurements of Chattanooga School Children. American Medicine, Philadelphia, February 22, 1902.

Post Mortem of Suicide. Medical Times, New York City, June, 1907.

SENATE'S STOCK-EXCHANGE INQUIRY

Mr. BROOKHART. Mr. President, I ask leave to have published in the RECORD a speech of Hon. PETER NORBECK, United States Senator from South Dakota, in the National Radio Forum, made Monday night, May 9, 1932.

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

Every man, woman, and child in the United States has been stung by the bad practices of the stock exchange, which have now taken the form of short selling and bear raiding. The stock-exchange boom burst in the fall of 1929, a couple of years ago. Prior to that there was a steady rise and wild speculation such as was unknown in all history of mankind. The speculators were rigging the market by all sorts of misleading reports, and they were making big profits. They were bulls then; they are bears now. They took large profits while the market was rising; now they are taking large profits while the market is falling.

When they could think of nothing else to sell they would go out and sell shares in themselves. Some of our large bankers would sell shares in their own banks and recommend them highly, at ten times their actual value. Now they are getting the shares back at their own price. The Great War cost us $20,000,000,000. The boys who saw service will be old men before the war debt is paid, but the loss to the American public through the shrinkage of stocks and bonds is many times as large.

Why did you buy stocks and bonds on the market? You did it upon the advice of those in whom you had confidence. They kept going up. By that time you began to feel certain the advice was good, and more advice was freely given. You got it from newspapers, you got it from magazines, and you got it from books. You got it from promoters and got it from professors of political economy. You got it from everywhere. The country was full of people who were willing to misrepresent things to you in order that they might line their own pockets. Some, of course, were simply mistaken. But how easy it is to give the wrong advice when there is a gain connected with the advice.

Anyone who examines the tons of literature, dealing with investments, which appeared in books, magazines, and the daily press during the period between 1924 and 1929 can not escape the conclusion that there was a large measure of direction given to the publicity of speculative security markets. First, they played up common stocks instead of bonds. Then, when the public had digested all the common stock it would take, they changed the tune and started a systematic publicity campaign for investment trust shares. They not only employed high-pressure publicity writers, but men of learning occupying distinguished positions in eastern universities prepared articles which curiously fitted well into the general program of the stock promoters. The committee in investigating has already found where one man, a Mr. Plummer, of New York, paid out over a quarter of a million dollars for ballyhoo articles sent through the public press for you to read and bet your money on. The evidence was undisputed. Canceled checks were brought before the committee, and in some cases the actual contracts for publicity work. This sum he paid out mostly in one year—1924—before the boom had fairly started. Financial writers were not making any big profit in 1924. That is before they bought Ford cars. Later they had Buicks, Cadillacs, and Packards. But the real display of luxury among them did not come until 1928 and '29. The boom burst in the fall of '29.

The present severe depression is largely the result of stock-market operations. The cash flowed into New York from every community. There had never been such a centralization of wealth as that which flowed so freely into Wall Street in 1927, 1928, and 1929. The results, however, are severe. Families are destitute. Suicides are common. Widows and orphans are the harvest. Should we stand idly by? It is admitted that more than 20,000,000 people, most of them heads of families, lost their savings when the boom burst in 1929. Just think of it—20,000,000 families in the United States were affected by these losses! That is, only one-third of the population of this country escaped the direct effect, and they suffered indirectly. In the spring of 1928, a year and a half before the boom burst in Wall Street, the Senate Banking Committee recommended remedial measures, but it was impossible to get the approval of Congress. Even at that time stocks sold at fictitious values, but the public enjoyed the situation. Stocks were going up from day to day, they said. Why disturb such prosperity as that? Technical lawyers argued then as now that Congress had no control over the stock exchanges. We got no support. All we could do was to make a report predicting disaster, and nobody wanted to read that. Bad news was not wanted. Our committee implored members of the Federal Reserve Board to prevent the use of that banking system for speculation. Such a wild orgy might have been prevented, but the board sat with their hands folded and drew their salaries.

The American people had forgotten that what goes up must come down. They knew these shares were not earning much dividend. Many were paying only 1 or 2 per cent, but selling at more than $100. The stock-market operators knew the break was sure to come. The public also should have known that much, but they did not.

One of the large bankers in Chicago referred to the stock market as the worst crap game in the country.

The road to prosperity must be built upon confidence; the confidence is lacking. The Street sold it out for cash. The lambs have been sheared and it takes time to grow more wool.

If you ask me again what is the major cause of the present depression, I again answer you—it was due to the manipulation of the stock market, the booming of the market, and the bursting of the market.

The vicious practices of the market are well known, but they are hard to prove. Mr. Whitney, the president of the stock exchange, was amazingly ignorant of manipulations and pools. For some time he even denied their existence, though there are dozens of books in the library which devote long discussions on the manipulations of a pool. Mr. Whitney drove the committee to seek information from other quarters.

The committee has to get actual proof. Many men come to me who know the New York Stock Market, its ins and outs, its ups and downs, and who are familiar with the methods of robbing the public, but are not willing to testify before the committee. They insist their names must be withheld. They say the system will get them. They will be ostracized; their credit will be curtailed. They will be driven out of business. They will be made bankrupt, and some actually go so far as to express fear of their lives. They tell me the system has so many ramifications. It is even claimed the Chicago gangsters are interested in certain manipulations. It has a string on so many people that it has friends in every place, high or low. The number of manipulators

is small. The lambs are many. In this game, the ninety-nine have no chance against the one—the wolf.

One of the leading operators, who was compelled to testify under oath before the Banking Committee as to stock-market manipulations, frankly expressed fear of his safety and said Capone was a piker compared to these people.

There has been much division of opinion in the committee as to the advisability of proceeding with this investigation and as to what remedy might be applied. One Senator frankly stated in print that Congress should not interfere with this institution or its practices. He shares the views of the exchange—that all the regulating they need is to regulate themselves.

I am happy to say, however, that I believe a majority of the committee are for a real investigation, both of the bulls and the bears, no matter who gets hurt by it, for they believe in the end it will help to restore a better condition throughout the country. I believe a majority of the Senators consider it just as wrong to misrepresent the value of a stock or bond as to sell rotten eggs for fresh eggs.

A generation ago only a few stocks were listed on the market. Property was owned by individuals, not by corporations. To-day the reverse is true. The average man or woman in the eastern section of the United States now owns very little property, except as shares in some big corporation, or bonds on same, and these shares and bonds are being manipulated up and down to the great loss of those who actually own same. I believe that owners of shares should be protected by law, the same as the owners of a home, a farm, or a town lot; they are not so protected now. If your property is in the form of stock or bond, a manipulation of the market may make you poor in a day, even though you are not a speculator. If the market practices had been more fair and the investor had been protected there would not have been such a severe depression; there would not have been so much unemployment. But the manipulators are powerful and they don't intend that anybody shall interfere with their game.

One of the witnesses before the committee declared that the violence of speculation was caused by stupid money in the hands of stupid people.

Some of this stupid money found its way into membership on the New York Stock Exchange. One member, who was a theater ticket agent in 1918, found his way into the exchange in 1920 and at the peak of the bull market had eight memberships among his partners.

The management of one newspaper which has called the investigation "one of the most fantastic affairs that unreason could create" is closely associated with a great bank and a large oil-producing concern, neither one of which would enjoy public examination of its affairs.

Another critical journal has a president who was in the midst of the investment trust movement. One of his pet trusts enjoyed a price range for its shares between $190 and 5 cents.

Testimony before this committee regarding the radio pool showed that brokers participated in the pools and pool manipulations. One of these brokers was the specialist of the stock in which the pool dealt. At least he operated through use of his wife's name. There was no regard for anything except profits. The public was not considered.

This is even a violation of the rules of the New York Stock Exchange—this stock exchange that insists that they should be allowed to govern themselves and that Congress should not undertake their regulation.

A year ago we had one of the largest bankers in the country before the Committee on Banking and Currency. He admitted in his testimony that he had recommended the purchase of Anaconda Copper mining stock to the general public at $140 per share. It is now down to $5 or $10 per share, and this man wonders now why there isn't confidence—confidence in him, confidence in his bank, confidence in Wall Street, confidence in New York.

Can the public be blamed for the lack of confidence in our markets, lack of confidence in our institutions, lack of confidence in our Government, and lack of confidence in themselves?

A method must be found to prevent a repetition of this. Congress does not want to interfere with private business, but Congress may have to do that very thing.

Th New York market boasts of its reform rules, and there are some that can fairly be called so, but often they are traceable to laws enacted by the State of New York to make certain practices criminal. The stock-market reform rules come late and are observed poorly after they have been adopted.

I maintain, however, that the New York Stock Exchange does not and can not reflect the true values of the securities which are traded thereon. As long as the natural and normal laws of supply and demand are denied and while a selected group of powerful individuals can influence values to their own advantage, an honest and equitable exchange for the purchase and sale of securities can not exist.

For a generation, at least, a big cloud has hung over the land—the threat of centralized wealth. The bulk of the national income falls in a very few hands. Their income is so enormous that it gains additional velocity every year, but no force has been so potent in the concentration of wealth as the extreme fluctuations in the stock and bond market—the boom and the bursting of the boom.

It is not only the stock market and the bond market but similar bad practices exist in the commodity market. Wheat and cotton often go up or down without much regard to supply or demand. It fluctuates according to the will of the powerful operators. Traders prefer this kind of a market; they call it an active market, but it is sometimes so active that the farmer goes without pay for his labor and the workingman pays "what the traffic will bear." The middleman gets the bulk of it, but the present investigation is of the stock exchange. If better market conditions can be brought about, it will point the way to certain changes in the farmer's market also.

I feel the need of drastic revision of the stock-exchange practices; the buying public are entitled to full information. They do not have it now.

A pool is formed and a stock issue is taken on. Various methods are used in boosting such stock. It is misrepresented in many ways. You are advised that it has large earnings. You read the recommendation of well-known investment firms. You are even told by your bankers that it is good stock to buy. You receive market letters from New York brokers recommending it highly. It rises steadily and the manipulators profit greatly, but when they have sold it to the public they have no more interest in it. Their support is withdrawn, the publicity ceases, the buying end of the slump starts.

It is a common practice for the buyer to leave his stock with the broker. The broker is called upon by a bear raider who wants to break the market. For a consideration he lends your stock to the raider, who sells short—that is, he sells what he has not got, but he has borrowed some of it. He has options on more of it. He is fairly well protected. He starts out to destroy public confidence and to break its value. He succeeds, and he profits immensely by that.

You will recall the recent Swedish Match Co. debacle. The firm name was Kreuger & Toll. It was after Kreuger committed suicide that the irregularities of the firm were discovered, among which were forged bonds on which they had secured credit.

Is it conceivable that all the selling that took place just before Kreuger's suicide was done by those who knew a great deal more about the situation than the buyer did?

Did they know what was coming?

Did they take advantage of the unsuspecting public and sell them that which they knew to be worthless?

The bear raiders are especially active now. They depress a weak market and ruin the value of other people's property. One witness before our committee admitted frankly that it was "pathetic" the way the public put their money into the stock market—and "pathetic" is the right word.

Many obstacles are thrown in the way of investigation. We are dealing with men who are powerful and high-handed. They are in the habit of having their own way. They don't intend to be interfered with. But Congress has a duty to perform; at least, the duty to put the searchlight on and show the public the real situation. It is a debt we owe to every taxpayer, property owner in the land—yes, to every citizen of the Republic.

President Whitney of the stock exchange wanted to give the exchange credit for saving the country when England went off the gold standard. He said if it had not been for the exchange a moratorium would have been precipitated—in other words, the panic would have been brought on.

It follows that any critical time the New York Stock Exchange can bring on a panic.

Is it possible that so much power is lodged in a voluntary association for profit—operating entirely outside governmental regulations?

It is a century since powerful financial interests of the land, the bank profiteers of this land, said to President Jackson that if they could not have their way a panic would result. He told them if they brought on a panic they would be hung. But Jackson stood his ground and no panic followed.

APPROPRIATIONS FOR 1933, $1,007,353,618.94 LESS THAN FOR 1932—BUDGET ESTIMATES REDUCED $334,294,094.18—BUDGET BALANCED AND OUR CREDIT UNIMPAIRED

Mr. JONES. Mr. President, it is not my purpose to go into a lengthy and detailed discussion in the comparison of the appropriations made at this session for the fiscal year 1933 with the same for the fiscal year 1932.

It gives me great satisfaction to state that we have effected a reduction in the appropriations for the fiscal year 1933 of $1,007,353,618.94 under the same for the fiscal year 1932.

This result is most gratifying to me and compensates for the hard and laborious work of the past eight months in accomplishing this greatly desired result at this particular time. The total appropriations, including regular annual, permanents and indefinites, and deficiencies, have been reduced from $5,618,546,098.18 to $4,761,192,479.24—a reduction of $857,353,618.94. Added to this enormous reduction the $150,000,000 estimated minimum saving on account of the economy bill makes a total reduction of $1,007,353,618.94.

This splendid result has been and is the prime factor toward balancing our Budget. Our house is being put in order, and we are thereby moving toward a self-sustaining basis. It is this more than anything else which makes for the stabilization of our national finances and maintains that which is of most importance and dearest to our country, namely, the maintenance, strength, and unques-

tioned integrity of our national credit. This great country of ours, filled with honest and industrious citizens, will most surely emerge from this depression, and the reduction of over a billion dollars in our appropriations will undoubtedly have a most beneficial effect and give cheer and comfort to our already overburdened taxpayers.

It is with great satisfaction and pride that I call attention to a result never before attained in the history of our country by the Senate of the United States and its Committee on Appropriations. The appropriations for the regular annual and deficiency bills were reduced from $3,315,412,410.40 as passed by the House of Representatives to $3,289,997,142.27 as reported to the Senate, a reduction of $25,415,268.13. The same appropriations were reduced from $3,315,412,410.40 as passed the House of Representatives to $3,292,907,536.20 as passed the Senate, a reduction of $22,504,874.20. This result is eminently satisfactory, and I desire at this time to thank each and every member of the Senate Committee on Appropriations for their aid in accomplishing this result. Without their help this could not have been accomplished.

I fear there exists in the minds of some of our citizens some distrust of Congress. I hope every one of our people will weigh this matter carefully and with fairness in their hearts give due credit to their representatives in Congress for reducing appropriations $1,007,353,618.94. I am unable to think of a better evidence of good faith and honest intention than this.

There exists in the minds of many that Congress can reduce appropriations at will, forgetting that our appropriations are made in pursuance of law. Until these laws are repealed it is indeed difficult to make reductions to the extent many think advisable. In the very nature of things there are appropriations concerning which no great reduction can reasonably be made. Some of them are fixed charges. As an illustration, I mention the following:

Interest on the public debt	$640,000,000
Sinking fund requirements	496,803,478
Veterans' Administration, including permanents and indefinites	1,020,364,000
Naval service, including permanent annual appropriations	318,906,141
Military service, exclusive of nonmilitary items but including permanent annual appropriations	290,575,924
Postal Service	806,104,675
Total	3,572,754,218

At a glance it is easily seen that the reductions in these six items can not be as great as many would expect. Deducting this sum of $3,572,754,218 from our total appropriations of $4,761,192,479.24 for 1933, you have remaining $1,188,438,261.24. Thus it will be observed that the field of reduction is much more restricted than many believe. In a country filled with forward-looking, ambitious citizens it is with much difficulty that appropriations are reduced. Yet in the face of all these obstacles we report to you a saving of $1,007,353,618.94.

Congress has reduced the estimates of the Budget for the fiscal year 1933 from $4,643,945,196.90 to $4,459,651,102.72, a reduction of $184,294,094.18, to which should be added the estimated savings on account of the economy bill of $150,000,000, making a total reduction of Budget estimates of $334,294,094.18.

Since the establishment of the Budget system in 1921, 11 sets of estimates have been transmitted. Congress has effected a net reduction in each of these years, with the exception of one (1930), where there was a slight increase. The amounts of the reductions by years and in the aggregate net are as follows:

Fiscal year 1923 and prior years (67th Cong., 1st and 2d sess.)	$312,361,792.27
Fiscal year 1924 and prior years (67th Cong., 3d and 4th sess.)	10,741,504.15
Fiscal year 1925 and prior years (68th Cong., 1st sess.)	9,024,637.08
Fiscal year 1926 and prior years (68th Cong., 2d sess.)	12,596,495.90
Fiscal year 1927 and prior years (69th Cong., 1st sess.)	6,716,064.34
Fiscal year 1928 and prior years (69th Cong., 2d sess.)	7,752,939.03
Fiscal year 1929 and prior years (70th Cong., 1st sess.)	9,139,989.51
Fiscal year 1930 and prior years (70th Cong., 2d sess.)	[1] 8,142,294.71
Fiscal year 1931 and prior years (71st Cong., 1st and 2d sess.)	25,155,353.30
Fiscal year 1932 and prior years (71st Cong., 3d sess.)	29,368,255.39
Fiscal year 1933 and prior years (72d Cong., 1st sess.)	[2] 334,294,094.18
Total reduction effected by Congress in estimates of appropriations since establishment of the Budget system	749,008,830.44

The fact as shown by the above table that Congress has reduced the Budget estimates $749,008,830.44 is accurate and conclusive proof that our financial affairs are not being handled in an extravagant and reckless manner.

I submit herewith three tables relating to appropriations and estimates to which I earnestly invite the most careful scrutiny of every taxpayer of this country. These tables tell their own story.

The tables are as follows:

(a) Comparison of appropriations by departments and establishments, fiscal years 1932 and 1933.

(b) Comparison of appropriations by acts passed during the first session, Seventy-second Congress, with the Budget estimates therefor, excluding permanent appropriations and private acts.

(c) Recapitulation of appropriations by acts, irrespective of fiscal years, Seventy-second Congress, first session.

[1] Net increase.

[2] This sum includes $150,000,000 estimated saving on account of the economy act.

TABLE A.—*Comparison of appropriations by departments and establishments, fiscal years 1932 and 1933*

[Amounts for each of these years in regular annual appropriation acts, deficiency appropriation acts, special acts, and amounts estimated under permanent appropriations]

Department	Appropriations fiscal year 1932	Appropriations fiscal year 1933	Increase (+) or decrease (−), 1933 compared with 1932
Legislative branch:			
Regular annual	$28,901,749.65	$18,706,141.00	−$10,195,608.65
Permanent and indefinite	234,005.00	109,800.00	−124,205.00
Total	29,135,754.65	18,815,941.00	−10,319,813.65

TABLE A.—*Comparison of appropriations by departments and establishments, fiscal years 1932 and 1933*—Continued

Department	Appropriations fiscal year 1932	Appropriations fiscal year 1933	Increase (+) or decrease (−), 1933 compared with 1932
Executive offices and independent offices:			
Regular annual—			
Federal Farm Board	$101, 900, 000. 00	(1)	−$101, 900, 000. 00
Veterans' Administration	1, 135, 892, 795. 53	$948, 799, 000. 00	−187, 093, 795. 53
Reconstruction Finance Corporation	500, 000, 000. 00		−500, 000, 000. 00
Executive and independent offices	[2] 85, 494, 708. 05	33, 747, 041. 00	−51, 747, 667. 05
Permanent and indefinite	91, 021, 621. 00	81, 787, 550. 00	−9, 234, 071. 00
Total	1, 914, 309, 124. 58	1, 064, 333, 591. 00	−849, 975, 533. 58
Agriculture:			
Regular annual—			
Department proper	80, 435, 938. 85	[3] 66, 766, 665. 00	−13, 669, 273. 85
Roads, construction	187, 500, 000. 00	108, 905, 000. 00	−78, 595, 000. 00
Farmers' seed, feed, etc., loans	22, 000, 000. 00		−22, 000, 000. 00
Permanent and indefinite	11, 618, 436. 00	11, 211, 571. 00	−406, 865. 00
Total	301, 554, 374. 85	186, 883, 236. 00	−114, 671, 138. 85
Commerce, Department of:			
Regular annual	54, 716, 600. 70	39, 711, 408. 00	−15, 005, 192. 70
Permanent and indefinite	3, 000. 00	3, 000. 00	
Total	54, 719, 600. 70	39, 714, 408. 00	−15, 005, 192. 70
Interior Department:			
Regular annual	70, 030, 575. 53	52, 689, 374. 35	−17, 341, 201. 18
Permanent and indefinite	15, 952, 500. 00	13, 921, 800. 00	−2, 030, 700. 00
Total	85, 983, 075. 53	66, 611, 174. 35	−19, 371, 901. 18
Justice, Department of, and judiciary, regular annual only	51, 469, 855. 81	45, 996, 000. 00	−5, 473, 855. 81
Labor:			
Regular annual	15, 782, 281. 60	12, 920, 770. 00	−2, 861, 511. 60
Permanent and indefinite	9, 000. 00	4, 000. 00	−5, 000. 00
Total	15, 791, 281. 60	12, 924, 770. 00	−2, 866, 511. 60
Navy:			
Regular annual	358, 271, 936. 56	317, 583, 591. 00	−40, 688, 345. 56
Permanent and indefinite	1, 839, 470. 00	1, 322, 550. 00	−516, 920. 00
Total	360, 111, 406. 56	318, 906, 141. 00	−41, 205, 265. 56
Post Office Department, payable from postal revenues:			
Regular annual	842, 928, 855. 54	805, 939, 675. 00	−36, 989, 180. 54
Permanent annual	200, 000. 00	165, 000. 00	−35, 000. 00
Total	843, 128, 855. 54	806, 104, 675. 00	−37, 024, 180. 54
State:			
Regular annual	18, 809, 942. 54	13, 663, 792. 89	−5, 146, 149. 65
Permanent and indefinite	141, 233. 00	31, 000. 00	−110, 233. 00
Total	18, 951, 175. 54	13, 694, 792. 89	−5, 256, 382. 65
Treasury Department:			
Regular annual	261, 819, 265. 98	250, 308, 158. 00	−11, 511, 107. 98
Capital stock of Federal land banks	125, 000, 000. 00		−125, 000, 000. 00
Permanent and indefinite—			
Interest on the public debt	605, 000, 000. 00	640, 000. 000. 00	+35, 000, 000. 00
Public debt retirement funds	411, 946, 300. 00	496, 803, 478. 00	+84, 857, 178. 00
All other	25, 875, 084. 00	24, 719, 439. 00	−1, 155, 645. 00
Total	1, 429, 640, 649. 98	1, 411, 831, 075. 00	−17, 809, 574. 98
War Department:			
Military—			
Regular annual	338, 948, 617. 32	289, 500, 024. 00	−49, 448, 593. 32
Permanent and indefinite	1, 375, 900. 00	1, 075, 900. 00	−300, 000. 00
Total, military	340, 324, 517. 32	290, 575, 924. 00	−49, 748, 593. 32

[1] Reappropriation of $800,000 for administrative expenses.
[2] Includes $35,000,000 for United States Shipping Board Construction loan fund.
[3] Includes $1,000,000 for Century of Progress Exposition.

TABLE A.—*Comparison of appropriations by departments and establishments, fiscal years 1932 and 1933*—Continued

Department	Appropriations fiscal year 1932	Appropriations fiscal year 1933	Increase (+) or decrease (−), 1933 compared with 1932
War Department—Continued			
Nonmilitary—			
Regular annual	$111, 074, 770. 00	$106, 578, 489. 00	−$4, 496, 281. 00
Permanent and indefinite	12, 929, 515. 00	11, 500, 640. 00	−1, 428, 875. 00
Total, nonmilitary	124, 004, 285. 00	118, 079, 129. 00	−5, 925, 156. 00
Total, War Department—			
Regular annual	450, 023, 387. 32	396, 078, 513. 00	−53, 944, 874. 32
Damage claims	5, 431. 14		−5, 431. 14
Permanent and indefinite	14, 305, 415. 00	12, 576, 540. 00	−1, 728, 875. 00
Total	464, 334, 233. 46	408, 655, 053. 00	−55, 679, 180. 46
District of Columbia:			
Regular annual	46, 155, 709. 38	41, 245, 622. 00	−4, 910, 087. 38
Permanent and indefinite	3, 261, 000. 00	3, 252, 000. 00	−9, 000. 00
Total	49, 416, 709. 38	44, 497, 622. 00	−4, 919, 087. 38
Grand total:			
Regular annual	4, 437, 139, 034. 18	3, 153, 060, 751. 24	−1, 284, 078, 282. 94
Permanent and indefinite	1, 181, 407, 064. 00	1, 285, 907, 728. 00	+104, 500, 664. 00
Grand total, exclusive of emergency relief and construction act	5, 618, 546, 098. 18	4, 438, 968, 479. 24	−1, 179, 577, 618. 94
Emergency relief and construction act of 1932		322, 224, 000. 00	+322, 224, 000. 00
Grand total, including emergency relief and construction act	5, 618, 546, 098. 18	4, 761, 192, 479. 24	−857, 353, 618. 94
Estimated postal revenues	592, 500, 000. 00	725, 000, 000. 00	+132, 500, 000. 00
Grand total, less estimated postal revenues	5, 026, 046, 098. 18	4, 036, 192, 479. 24	−989, 853, 618. 94
Estimated savings in appropriations for the fiscal year 1933 on account of the economy act		150, 000, 000. 00	−150, 000, 000. 00
Net total, after deducting savings on account of the economy act	5, 026, 046, 098. 18	3, 886, 192, 479. 24	−1, 139, 853, 618. 94

From the above figures, as I have already pointed out, it will be seen that the total appropriations for 1932 were $5,618,546,098.18, while the total appropriations for the fiscal year 1933 are $4,761,192,479.24, or a saving of $857,353,618.94. Added to this the $150,000,000 estimated minimum saving on account of the economy act makes the total savings $1,007,353,618.94.

Table B and Table C follow:

TABLE B.—*Comparison of appropriations by acts passed during the first session, Seventy-second Congress, with the Budget estimates therefor, excluding permanent appropriations and private acts*

Appropriating act	Budget estimate	Appropriation acts	Increase (+) or decrease (−) appropriations compared with estimates
REGULAR ANNUAL APPROPRIATION ACTS			
Agricultural	$188, 693, 405. 00	$175, 671, 665. 00	−$13, 021, 740. 00
District of Columbia	44, 094, 919. 00	41, 245, 622. 00	−2, 849, 297. 00
Independent offices	1, 041, 395, 041. 00	982, 446, 041. 00	−58, 949, 000. 00
Interior	[1] 52, 840, 352. 33	45, 533, 672. 33	−7, 306, 680. 00
Legislative	[2] 22, 094, 022. 00	18, 673, 991. 00	−3, 420, 031. 00
Navy	341, 677, 450. 00	317, 583, 591. 00	−24, 093, 859. 00
State, Justice, Commerce, and Labor:			
State	16, 683, 071. 89	13, 663, 792. 89	−3, 019, 279. 00
Justice	53, 900, 364. 00	45, 996, 000. 00	−7, 904, 364. 00
Commerce	44, 716, 304. 00	39, 711, 408. 00	−5, 004, 896. 00
Labor	14, 484, 397. 00	12, 920, 770. 00	−1, 563, 627. 00
Total, State, Justice, Commerce, and Labor	129, 784, 136. 89	112, 291, 970. 89	−17, 492, 166. 00

[1] This sum excludes $4,000,000 transferred to second deficiency bill estimates on account of Boulder Canyon project.

[2] This sum excludes $5,000 transferred to second deficiency bill estimates on account of assistants in the office of the Clerk of the House of Representatives.

TABLE B.—*Comparison of appropriations by acts passed during the first session, Seventy-second Congress, with the Budget estimates therefor, excluding permanent appropriationsand private acts*—Continued

Appropriating act	Budget estimate	Appropriation acts	Increase (+) or decrease (−) appropriations compared with estimates
REGULAR ANNUAL APPROPRIATION ACTS—continued			
Treasury and Post Office:			
Treasury	$269, 016, 418. 00	$250, 308, 158. 00	−$18, 708, 260. 00
Post Office	814, 061, 987. 00	805, 939, 675. 00	−8, 122, 312. 00
Total, Treasury and Post Office	1, 083, 078, 405. 00	1, 056, 247, 833. 00	−26, 830, 572. 00
War:			
Military activities	301, 030, 642. 00	289, 500, 024. 00	−11, 530, 618. 00
Nonmilitary activities	110, 333, 120. 00	106, 578, 489. 00	−3, 754, 631. 00
Total, War	411, 363, 762. 00	396, 078, 513. 00	−15, 285, 249. 00
Total, regular appropriation acts	[3] 3,315, 021, 493. 22	3, 145, 772, 899. 22	—169, 248, 594. 00
DEFICIENCY APPROPRIATION ACTS			
First deficiency, 1932	141, 031, 184. 07	126, 250, 333. 89	−14, 780, 850. 18
Second deficiency, 1932	[4] 22, 779, 019. 61	22, 682, 369. 61	−96, 650. 00
Total deficiency acts	163, 810, 203. 68	148, 932, 703. 50	−14, 877, 500. 18
Total, regular annual and deficiency acts	3, 478, 831, 696. 90	3, 294, 705, 602. 72	−184, 126, 094. 18
SPECIAL APPROPRIATION ACTS			
Reconstruction Finance Corporation	500, 000, 000. 00	500, 000, 000. 00	
Emergency relief and construction act	[5] 322, 224, 000. 00	322, 224, 000. 00	
Federal land banks	125, 000, 000. 00	125, 000, 000. 00	
Veterans' Administration:			
Adjusted compensation, etc	203, 925, 000. 00	203, 925, 000. 00	
Pensions	12, 750, 000. 00	12, 750, 000. 00	
Miscellaneous	1, 214, 500. 00	1, 046, 500. 00	−168, 000. 00
Total, special acts	1, 165, 113, 500. 00	1, 164, 945, 500. 00	−168, 000. 00
Grand total	4, 643, 945, 196. 90	4, 459, 651, 102. 72	−184, 294, 094. 18
Deduct estimated savings in appropriations for 1933 on account of the economy act		150, 000, 000. 00	−150, 000, 000. 00
Net grand total	[6] 4, 643, 945, 196. 90	[6] 4, 309, 651, 102. 72	−334, 294, 094. 18

[3] This sum excludes $4,005,000 transferred as indicated in notes 1 and 2.
[4] This sum includes $4,005,000 transferred as indicated in notes 1 and 2.
[5] No formal budget estimate submitted. This sum included pursuant to indicated approval by the President in his message of July 11, 1932.
[6] These totals are exclusive of permanent appropriations.

TABLE C.—*Recapitulation of appropriations by acts, irrespective of fiscal years, Seventy-second Congress, first session*

Title of act		Amount
REGULAR ANNUAL ACTS, FISCAL YEAR 1933		
Agriculture		$175, 671, 665. 00
District of Columbia		41, 245, 622. 00
Executive office and independent offices		982, 446, 041. 00
Interior		45, 533, 672. 33
Legislative establishment		18, 673, 991. 00
Navy		317, 583, 591. 00
State, Justice, Commerce, and Labor:		
State	$13, 663, 792. 89	
Justice	45, 996, 000. 00	
Commerce	39, 711, 408. 00	
Labor	12, 920, 770. 00	
		112, 291, 970. 89
Treasury and Post Office:		
Treasury	250, 308, 158. 00	
Post Office	805, 939, 675. 00	
		1, 056, 247, 833. 00

TABLE C.—*Recapitulation of appropriations by acts, irrespective of fiscal years, Seventy-second Congress, first session*—Continued

Title of act		Amount
REGULAR ANNUAL ACTS, FISCAL YEAR 1933—continued		
War:		
Military	$289, 500, 024. 00	
Nonmilitary	106, 578, 489. 00	
		$396, 078, 513. 00
Total, regular annual acts		3, 145, 772, 899. 22
DEFICIENCY APPROPRIATION ACTS, FISCAL YEAR 1932 AND PRIOR YEARS		
First deficiency, 1932		126, 250, 333. 89
Second deficiency, 1932		22, 682, 369. 61
Total, deficiency appropriation acts, fiscal year 1932 and prior years		148, 932, 703. 50
MISCELLANEOUS ACTS CARRYING APPROPRIATIONS, FISCAL YEARS 1932 AND 1933		
Veterans' Administration, adjusted-service certificate fund, etc		203, 925, 000. 00
Pensions		12, 750, 000. 00
Emergency relief and construction act of 1932		322, 224, 000. 00
Reconstruction Finance Corporation		500, 000, 000. 00
Capital stock of Federal land banks		125, 000, 000. 00
Miscellaneous		1, 046, 500. 00
Total, miscellaneous acts		1, 164, 945, 500. 00
Total, regular annual, deficiency, and miscellaneous acts		4, 459, 651, 102. 72
PERMANENT AND INDEFINITES, FISCAL YEAR 1933		
Interest on public debt		640, 000, 000. 00
Sinking fund and other debt retirement funds		496, 803, 478. 00
Ordinary permanents and indefinites		149, 104, 250. 00
Total, permanents and indefinites		1, 285, 907, 728. 00
Grand total		5, 745, 558, 830. 72
Deduct:		
Estimated postal revenues, fiscal year 1933	$725, 000, 000. 00	
Estimated savings on account of economy act for fiscal year 1933	150, 000, 000. 00	
		875, 000, 000. 00
Net grand total		4, 870, 558, 830. 72

Classification of foregoing appropriations by fiscal years:

1933	$3, 886, 192, 479. 24
1932	977, 035, 786. 11
1931 and prior years	713, 591. 57
Judgments and audited claims	6, 616, 973. 80
Total	4, 870, 558, 830. 72

Mr. McKELLAR. Mr. President, by unanimous consent the Senate has heretofore given me permission to submit a statement on the figures concerning appropriations for the present session of the Congress.

These figures concerning appropriations have been prepared by the Appropriations Committees of the Senate and House, and they are hereto attached, at the end of my remarks, as a part of the same.

These figures, I regret to say, are most misleading. They are fairly accurate as affecting departmental appropriations, but so many appropriations are left out that proper explanations must be made.

Left out of the statement is an item of $3,300,000,000 appropriated by means of bonds or debentures for the Reconstruction Finance Corporation. The statement omits $246,000,000 appropriated for the moratorium last fall. It omits $125,250,000 appropriated by bonds or debentures for the home-loan bank system; and it omits $40,000,000 appropriated on Saturday for the Red Cross.

It will be noted in the statement (see p. 15716) that the total appropriations are $4,870,558,830.72. This is wholly incorrect, as the true facts and figures show.

APPROPRIATIONS MADE IN THE PRESENT SESSION

I give the accurate and exact figures:

Strictly departmental appropriations		$3, 145, 772, 899. 22
Interest on the public debt	$640, 000, 000	
Sinking fund and other retirement funds	496, 803, 478	
Ordinary permanent and indefinite appropriations	149, 104, 250	
Total		1, 285, 907, 728. 00
In addition to this, Mr. Hoover recommended, and the Congress granted, a moratorium to European powers of		246, 000, 000. 00

This sum was indeed not appropriated out of the Treasury, but it was appropriated by Mr. Hoover after polling the two Houses, before the money got into the Treasury, and notwithstanding our debtors were ready to pay the money into the Treasury.

In addition to the foregoing, Mr. Hoover recommended during this session of the Congress, and the Congress appropriated:

For veterans	203, 925, 000. 00
Pensions	12, 750, 000. 00
Emergency relief	322, 224, 000. 00
Reconstruction Finance Corporation, out of the Treasury	500, 000, 000. 00

Capital stock, Federal land banks	$125,000,000.00
Home loan bank corporation (last Saturday)	125,250,000.00
Red Cross wheat and cotton (last Saturday)	40,000,000.00
But this is not all that Mr. Hoover has recommended and the Congress appropriated for this session. He recommended, and appropriations were passed, as follows:	
Reconstruction Finance Corporation bonds or debentures	1,500,000,000.00
Addition to Reconstruction Finance Corporation bonds or debentures	1,800,000,000.00
Total	9,306,829,627.22
From the above total there must be deducted Economy Committee savings of	150,000,000.00
This deduction should be made because the Economy Committee law was passed after many of the appropriations had been made, and the reductions made by that committee are required to be impounded in the Treasury; leaving a grand total of appropriations of	9,156,829,627.22

NINE-BILLION-DOLLAR "ECONOMY"

During the entire session Mr. Hoover has been prating about "rigid economy," and yet he has recommended all these appropriations and more. The Congress did not appropriate all that he recommended that it appropriate; but, at all events, it aggregates $9,156,829,627.22. If this is economy, Mr. Hoover is entitled to credit for it. I say it is wicked and vicious extravagance. The majority of the Congress yielded to Mr. Hoover in his demand for these tremendous appropriations. I can only say I voted against the Reconstruction Finance Corporation bill and all items except for actual relief. Of course, I hope it will do some good, but I fear it is another one of Mr. Hoover's "noble experiments."

Of course it may be argued that the Reconstruction Finance Corporation's expenditures are investments, and that the Government will get back its money. It may get back some of it, or it may not. If our experience with the Reconstruction Finance Corporation is the same as it has been with the Federal Farm Board, which was recommended and is being conducted by Mr. Hoover, there will be precious little or no return from this outlay. The Farm Board reports that it has already lost half of the $500,000,000 appropriated for it; but even if the $3,800,000,000 is deducted from the total amount appropriated by this Congress, it leaves $5,356,829,627.22, which is an increase in appropriations over what the preceding Congress appropriated. In other words, with all the savings by the Congress in departmental expenditures, the President's nostrums for relief have made our appropriations vastly more.

TABLE A

Table A of the committee's figures shows a comparison of appropriations by departments and establishments for fiscal years 1932 and 1933. These figures are very misleading. On the face of them they show that the Congress has decreased appropriations $1,139,853,618.94. It is impossible to compare the figures of fiscal years until those years have elapsed, because we have another session of Congress in which to appropriate for the fiscal year 1933. The only way to make a comparison is to take all the items appropriated in the preceding session of Congress and compare them with the items appropriated in the last session of Congress. This shows actual appropriations. When we do this, the figures are found to be very different.

At the last session of Congress we appropriated $5,178,524,967.95. At the session of Congress just closed we appropriated $9,156,829,627.22; or a difference of $3,978,304,659.27, showing how much more the Congress appropriated at the session just ended than in the previous session.

To show how misleading the figures in Table A are, it will be found that the $500,000,000 appropriated out of the Treasury for the Reconstruction Finance Corporation is set down as being appropriated in 1932, and this is true, but it has no place in the previous year's business. In like manner, the item of $725,000,000 of estimated postal revenue is juggled into this statement. Also, $322,224,000 for the emergency relief and construction act, which is a part of the $2,122,224,000 relief fund, is, for some unaccountable reason, taken out of its proper place and put into these figures. It is impossible to compare appropriations for the fiscal year 1932 with the appropriations for the fiscal year 1933 when the fiscal year 1933 is just 16 days old.

So that when the committees report, under Table A, that the appropriations for the fiscal year 1933 are $1,139,853,618.94 less than those in 1932, the figures are wholly misleading, and are of no real value in showing the economies or the lack of economies of the session of Congress just ended.

REAL SAVINGS

The one bright spot in the report is found in Table B, and that is that in the various departments the Congress cut down appropriations recommended by the President and the Budget Bureau the enormous sum of $334,294,094.18. These figures represent actual savings, and it is good to know that there was a saving by Congress in every single department of the Government. The only increases are to be found in the items of interest on the public debt and in the public debt retirement fund. These were made necessary because of the tremendous increase in the national bonded indebtedness.

The actual lessening of these appropriations in the sum of $334,294,094.18 was not due to Mr. Hoover or his administration, but was due to the economy activities of the Congress, made notwithstanding the opposition of Mr. Hoover and his Cabinet.

It is proper to state that when the appropriation hearings were being had before the Appropriations Committee, each of the Cabinet officers appeared, either in person or by letter, and pleaded with the committee not to reduce any appropriations in their several departments under the amounts recommended by the President and the Budget. Some members of the Cabinet appeared before committees time and again, urging that no reductions be made. All the time that these Cabinet officers were protesting against any reduction in their several departments, President Hoover was giving out vague and indefinite statements favoring "rigid economy," and in order to accomplish rigid economy, urging Congress to give him the right to consolidate bureaus, commissions, and departments. Under a bill introduced by Senator GEORGE, of Georgia, this right was conferred on the President as he requested; but, so far as anyone knows, he has never consolidated a bureau or effected a saving thereby.

Reductions in expenditures of the Government were demanded by people in every State in the Union. The fight became so bitter that both Houses of Congress appointed special economy committees to bring about a reduction in expenditures. These committees went to work, and the House special committee made a report bringing about a reduction of $49,000,000 plus. The Senate committee made a report recommending some $240,000,000 of economy. President Hoover undertook to obtain some credit for any reductions that might be made by these committees. He called the committees to the White House and discussed the question with them. His principal desire apparently was, first, to cut the appropriations for the disabled ex-service men about $100,000,000; and he also suggested a plan which he vaguely described as a furlough plan, cutting Government employees some $83,000,000.

The Senate Economy Committee unanimously agreed, after a thorough examination, to recommend a 10 per cent cut in the salaries of all employees; and the President came down and in a message to the Senate personally recommended that the Senate agree to that cut. Then, a few days later, he urged his friends in the Senate to an about-face and to vote against the very 10 per cent salary cut he had recommended, and instead to put in his furlough plan; and the so-called furlough plan was thus passed by the Senate and finally enacted into law.

The furlough plan is wholly Mr. Hoover's plan. It is stated that it will bring about reductions of $150,000,000.

It may or may not. I hope it will. But instead of that plan being responsible for the reduction carried in it, it was enacted in order to get rid of the Economy Committee's 10 per cent reduction plan, which would have saved some $240,000,000 instead of only $150,000,000 as provided in the furlough plan. In my judgment, the furlough plan was taken up by the administration in order to prevent greater reductions. However, the Congress saved $334,294,094.18 after the hardest fight that some of us ever made, against the combined opposition of the administration, led by Secretary Mills.

CREDIT FOR THIS REDUCTION

This reduction of $334,294,094.18 should be credited to the two Houses of Congress jointly. It is true the House economy bill only provided a reduction of some $49,000,000, while the Senate economy bill provided for a reduction of about $240,000,000. However, the result was that in conference the Senate reductions were decreased to $150,000,000 and the House reductions were increased to that figure, so that the relative credit of the two Houses is shown in these figures. The Senate has, in addition, to its credit reductions below the House figures of about $22,000,000 plus. So that both Houses are credited with the splendid result of reductions of more than $334,000,000. I believe it is the first time in history that the Senate ever made reductions under the House figures.

When it is remembered that these economies were accomplished over the combined opposition of the President, the members of his Cabinet, the bureau heads in the city of Washington, and one of the most vicious propagandas sent out by various executive departments here, that reduction constitutes a wonderful victory for those of us in the Senate and House who made the fight for economy.

THE FURLOUGH PLAN

The furlough plan, fathered by the President, constitutes a travesty upon government and upon justice to Government employees. It is unfair, unjust, unequal, and gives rise to what may be the greatest possible favoritism in government. Already, employees are protesting against favoritism shown by bureau chiefs in the granting of furloughs. Already, the employees who joined the President in his clamor for the plan are denouncing it. It is so confused, in fact, that nobody knows exactly what it means. Executive officers of the Government have been trying to interpret it ever since it was enacted, but no two interpret it alike. It is applicable to some departments and inapplicable to others. I feel sorry for the employees of the Government who will have to live under it for a whole year. Already a number of proposals have been made to modify it.

POSTAL REVENUES INCLUDED IN THE STATEMENT

For some reason difficult to fathom, the Appropriations Committees have shown in Table C of their report an item which they deduct, called "Estimated postal revenues, fiscal year 1933, $725,000,000." What this has to do with appropriations is past understanding. It is probably the most remarkable piece of governmental bookkeeping imaginable. How expected revenue can be considered in determining what the appropriations of the Government are is beyond my ken. There is no precedent for it, and no reason for it. We might as well have included income from the tobacco tax, or the income tax, or fees collected by the Patent Office, or income from the Panama Canal, or any other income that the Government might have. The introduction of postal revenues into this report is pure poppy-cock. It can only be regarded as an effort to juggle the figures, and no one reading this report should pay any attention to it. It has no place in any financial report of the Government concerning appropriations.

DEFICITS

It is proper to state at this point that the vast appropriations made by the last session of Congress of $9,156,829,627.22, were made when there was an estimated deficit of 1931 given out by the Treasury Department of $903,000,000, and an estimated deficit of 1932 given out by the Treasury Department of $2,885,000,000. In other words, while we were making this vast expenditure of $9,156,829,627.22, the Treasury was behind in the sum of nearly four billion dollars.

SUBSIDIES

One of the most inexcusable appropriations made by the Congress at the session just concluded was an appropriation for subsidies for transportation of foreign mail by steamship and aircraft, and for inland transportation by aircraft and by air navigation facilities, aggregating $66,709,100. These appropriations were wholly indefensible and wicked. The companies receiving these subsidies were in no sense needy, and were performing no real service to the Government. In addition to that, many of the contracts under which the subsidies were granted were, as I believe, illegal and void. These subsidies are scandalous; and, if the American people could be made acquainted with them, they would not stand for them.

Many millions more of such subsidies are granted in the matter of interest rates, wherein many of these shipping companies were loaned money at rates ranging from one-fourth of 1 per cent per annum to 1 per cent per annum.

I think Senator HALE did a valuable piece of work when he inserted in the RECORD on July 16 the table of independent and semiindependent establishments, boards, and commissions of the Federal Government. There seems to be 73 of these in all. His purpose was stated to show that all of them cost only $45,722,000. Well, even that is a big sum, and in my judgment the most of these 73 commissions and bureaus could be easily abolished.

There is absolutely no need for such organizations as Advisory Council for the National Arboretum and a great many others. The Alien Property Custodian ought to be abolished. The war has been over for 14 years and it is time we put an end to such an organization. There is no necessity for the Arlington Memorial Amphitheater Commission or for the Arlington Memorial Bridge Commission. I am not sure about the Board of Road Commissioners for Alaska, but whatever that commission could do would be better done by some officer of the War Department.

INEFFICIENCY CHARGED AGAINST BUDGET BUREAU

The Bureau of the Budget comes next. It is an outstanding example of inefficiency and waste and extravagance. It has been in existence for 11 years, and every year except one the Congress has appropriated greatly less than the Budget recommended. That exception was in 1930, when the appropriations seemed to have been $8,000,000 more than the Budget estimated. The Bureau of the Budget is just another means of obtaining appropriations from the Congress. In other words, any department head who can come before the Appropriation Committee of Congress with the approval of the Budget Bureau on any estimate has a great deal better chance of getting his appropriations. During the 11 years that the Budget Bureau has been in existence the Congress has reduced appropriations under the Bureau estimates by $750,000,000, almost $70,000,000 a year.

In addition to this, the cost of the running of the Budget Bureau itself last year alone was $190,000. For the whole 11 years of its existence it has cost $2,104,610. The Bureau of the Budget, as now provided, is simply another tax eater. The only way that a Bureau of the Budget could be of any advantage would be to make it a legislative bureau, responsible alone to the two Houses of Congress, and require it to make the most minute investigation as to how all the executive appropriations are expended.

CIVIL SERVICE COMMISSION SAID TO BE HAMPERED

The Civil Service Commission is an important body. If it was left unhampered by the Executive it would be a hundredfold more important, but under various Executive orders

ways are found to employ and discharge men and women in the Civil Service without regard to the real intent of the law. It needs readjustment and it ought to be amended so as to require the Executive to keep his hands off it. The idea of selecting postmasters and other postal employees, for instance, from any one of the three highest eligibles that a Congressman or Senator may recommend is subversive of the whole system. The places ought to be given according to merit without regard to the political end of it.

The Claims Commission, United States and Mexico, could well be abolished and that work done by some one in the State Department. The Commission of Fine Arts is no doubt necessary, but in my service here I have been astounded at some of its decisions.

The Employees' Compensation Commission and the Federal Board for Vocational Education, of course, are perhaps necessary, although both could be more economically and efficiently administered if put under some one of the 10 departments. Just what the Federal Employment Stabilization Board is I do not know.

DISCONTINUANCE URGED OF FEDERAL FARM BOARD

The Federal Farm Board ought to be abolished. It has already cost $250,000,000, and no doubt when its affairs are wound up it will cost the Government more than the $250,000,000. The Federal Oil Conservation Board created by the President in 1930 has no legal place because the President, as I have said, has no right to create a commission.

The Federal Power Commission could be made of immense benefit to the people, but as it usually takes the side of the power companies I am doubtful of its value as at present organized. The Federal Radio Commission is necessary and I hope it will prevent the great radio interests from gobbling up and owning all the rights of the radio which now are, or should be, in the hands of the people. I see that the President has consolidated the Radio Bureau of the Department of Commerce with the Radio Commission and this is well. I am curious to know what economies will be obtained from the consolidation.

The Federal Reserve Board, of course, is necessary and proper; likewise the Federal Trade Commission and the General Accounting Office.

The General Accounting Office is one of the very best of all the independent bureaus. Mr. McCarl, at its head, is an entirely independent and efficient official and so far as I have been able to determine is always on the side of the Government and against various efforts that are made by the interests to impose upon the Government. The General Claims Commission, United States and Panama, of course, should be turned over to one of the departments.

VARIOUS OTHER AGENCIES ARE TERMED USELESS

The George Rogers Clark Sesquicentennial Commission should be abolished at the earliest possible moment. The monument will be completed within a short time. The same is true of the George Washington Bicentennial Commission. The Inland Waterways Corporation is a useful piece of governmental machinery and should be maintained. Next comes the International Commission of Annual Tables of Constants, and so forth, the International Boundary Commission, International Fisheries Commission, International Highway Special Commission, International Joint Commission, International Prison Commission, International Water Boundary Commission, International Water Commission, Interoceanic Canal Board. All these are absolutely useless commissions and by all means should be abolished. There is no reason in the world why, if any question should arise as to the matters now in the hands of such commissions—if there are any such matters—it could not be settled by officials in the appropriate departments, especially the State Department. As a rule, these commissions afford agreeable places for lame ducks.

The Interstate Commerce Commission, as originally set up, was a valuable commission but it has developed into a commission for the advancement of railroads and I am not so sure that it ought not to be abolished. In all events, it ought to be thoroughly reorganized.

MIXED CLAIMS COMMISSION IS CALLED NEEDLESS

Migratory Bird Conservation Commission: No reason in the world why this work should not be done by an official of one of the departments. The Mixed Claims Commission, United States and Germany, ought to have been done away with long ago. The Mount Rushmore National Memorial Commission should have been abolished also long ago. The National Academy of Sciences should have been treated likewise. The National Advisory Committee for Aeronautics should never have been organized. It is another way of getting subsidies from the Government. The National Board for the Promotion of Rifle Practice should never have been organized and ought to be done away with.

The National Capital Park and Planning Commission: Of course something can be said for this commission but there is much that can be said against it. It ought to be reorganized. The National Forest Reservation Commission ought never to have been created. The National Memorial Commission, whatever that is, ought never to have been created. The National Screw Thread Commission should be abolished. The office of Chief Coordinator in the Budget Bureau ought to be abolished like the present bureau itself.

The Pan American Sanitary Bureau: It is exceedingly doubtful whether this bureau ought to remain. Pan American Union: That ought to do a real service to America. The Permanent International Commission of Congresses of Navigation ought to be abolished. Perry's Victory Memorial Commission ought to be abolished as the work has been done. The Personnel Classification Board ought never to have been created and ought to be abolished at the earliest possible moment. The Puerto Rican Hurricane Relief Commission, created in December, 1928, ought to have been abolished a long time ago because it is not believed that the hurricanes in Puerto Rico are permanent and that was four years ago.

BOARD OF TAX APPEALS DESCRIBED AS ONE-SIDED

Public Buildings Commission: Its duties might be easily given over to the Office of Public Buildings and Parks. The Rock Creek and Potomac Parkway Commission ought to have been abolished a long time ago. The Smithsonian Institution is a proper institution. The Board of Tax Appeals is a useful board, but it is one-sided in that it does not have jurisdiction over cases in behalf of the Government. It could be made a splendid body if given jurisdiction over the entire subject matter.

The Bureau of Efficiency ought never to have been created and ought to be abolished at the earliest possible moment. The Council of National Defense is still carried on the books, but I am quite sure I got through a resolution abolishing it many years ago. If that act did not abolish it, another act ought to be passed to abolish it. The Housing Corporation ought to be turned over to the hands of some individual in one of the departments.

The Railroad Administration ought to have been abolished long ago. The section Inter-American High Commission ought to be abolished. The Shipping Board surely ought to be abolished and its affairs wound up by some officer in the Department of Commerce.

The Merchant Fleet Corporation ought likewise be abolished for the same reason. The Supreme Court Building Commission: This is temporary and ought to be abolished. The Tariff Commission is an excellent commission and ought to be retained.

CONCLUSION

The Economy Committee of the Senate has been continued by the Senate. It still has a vast work to do. We must reduce further the expenditures of our National Government. We must abolish useless bureaus and other useless activities. The fight for national economy has just begun.

TABLE A.—*Comparison of appropriations by departments and establishments, fiscal years 1932 and 1933*

[Amounts for each of these years in regular annual appropriation acts, deficiency appropriation acts, special acts, and amounts estimated under permanent appropriations]

Department	Appropriations fiscal year 1932	Appropriations fiscal year 1933	Increase (+) or decrease (−), 1933 compared with 1932
Legislative branch:			
Regular annual	$28, 901, 749. 65	$18, 706, 141. 00	−$10, 195, 608. 65
Permanent and indefinite	234, 005. 00	109, 800. 00	−124, 205. 00
Total	29, 135, 754. 65	18, 815, 941. 00	−10, 319, 813. 65
Executive offices and independent offices:			
Regular annual—			
Federal Farm Board	101, 900, 000. 00	(1)	−101, 900, 000. 00
Veterans' Administration	1, 135, 892, 795. 53	948, 799, 000. 00	−187, 093, 795. 53
Reconstruction Finance Corporation	500, 000, 000. 00		−500, 000, 000. 00
Executive and independent offices	[2] 85, 494, 708. 05	33, 747, 041. 00	−51, 747, 667. 05
Permanent and indefinite	91, 021, 621. 00	81, 787, 550. 00	−9, 234, 071. 00
Total	1, 914, 309, 124. 58	1, 064, 333, 591. 00	−849, 975, 533. 58
Agriculture:			
Regular annual—			
Department proper	80, 435, 938. 85	[3] 66, 766, 665. 00	−13, 669, 273. 85
Roads, construction	187, 500, 000. 00	108, 905, 000. 00	−78, 595, 000. 00
Farmers' seed, feed, etc., loans	22, 000, 000. 00		−22, 000, 000. 00
Permanent and indefinite	11, 618, 436. 00	11, 211, 571. 00	−406, 865. 00
Total	301, 554, 374. 85	186, 883, 236. 00	−114, 671, 138. 85
Commerce, Department of:			
Regular annual	54, 716, 600. 70	39, 711, 408. 00	−15, 005, 192. 70
Permanent and indefinite	3, 000. 00	3, 000. 00	
Total	54, 719, 600. 70	39, 714, 408. 00	−15, 005, 192. 70
Interior Department:			
Regular annual	70, 030, 575. 53	52, 689, 374. 35	−17, 341, 201. 18
Permanent and indefinite	15, 952, 500. 00	13, 921, 800. 00	−2, 030, 700. 00
Total	85, 983, 075. 53	66, 611, 174. 35	−19, 371, 901. 18
Justice, Department of, and judiciary, regular annual only	51, 469, 855. 81	45, 996, 000. 00	−5, 473, 855. 81
Labor:			
Regular annual	15, 782, 281. 60	12, 920, 770. 00	−2, 861, 511. 60
Permanent and indefinite	9, 000. 00	4, 000. 00	−5, 000. 00
Total	15, 791, 281. 60	12, 924, 770. 00	−2, 866, 511. 60
Navy:			
Regular annual	358, 271, 936. 56	317, 583, 591. 00	−40, 688, 345. 56
Permanent and indefinite	1, 839, 470. 00	1, 322, 550. 00	−516, 920. 00
Total	360, 111, 406. 56	318, 906, 141. 00	−41, 205, 265. 56
Post Office Department, payable from postal revenues:			
Regular annual	842, 928, 855. 54	805, 939, 675. 00	−36, 989, 180. 54
Permanent annual	200, 000. 00	165, 000. 00	−35, 000. 00
Total	843, 128, 855. 54	806, 104, 675. 00	−37, 024, 180. 54
State:			
Regular annual	18, 809, 942. 54	13, 663, 792. 89	−5, 146, 149. 65
Permanent and indefinite	141, 233. 00	31, 000. 00	110, 233. 00
Total	18, 951, 175. 54	13, 694, 792. 89	−5, 256, 382. 65
Treasury Department:			
Regular annual	261, 819, 265. 98	250, 308, 158. 00	−11, 511, 107. 98
Capital stock of Federal land banks	125, 000, 000. 00		−125, 000, 000. 00
Permanent and indefinite—			
Interest on the public debt	605, 000, 000. 00	640, 000, 000. 00	+35, 000, 000. 00
Public-debt retirement funds	411, 946, 300. 00	496, 803, 478. 00	+84, 857, 178. 00
All other	25, 875, 084. 00	24, 719, 439. 00	−1, 155, 645. 00
Total	1, 429, 640, 649. 98	1, 411, 831, 075. 00	−17, 809, 574. 98

[1] Reappropriation of $800,000 for administrative expenses.
[2] Includes $35,000,000 for United States Shipping Board construction loan fund.
[3] Includes $1,000,000 for Century of Progress Exposition.

TABLE A.—*Comparison of appropriations by departments and establishments, fiscal years 1932 and 1933*—Continued

Department	Appropriations fiscal year 1932	Appropriations fiscal year 1933	Increase (+) or decrease (−) 1933 compared with 1932
War Department:			
Military—			
Regular annual	$338, 948, 617. 32	$289, 500, 024. 00	−$49, 448, 593. 32
Permanent and indefinite	1, 375, 900. 00	1, 075, 900. 00	−300, 000. 00
Total, military	340, 324, 517. 32	290, 575, 924. 00	−49, 748, 593. 32
Nonmilitary—			
Regular annual	111, 074, 770. 00	106, 578, 489. 00	−4, 496, 281. 00
Permanent and indefinite	12, 929, 515. 00	11, 500, 640. 00	−1, 428, 875. 00
Total, nonmilitary	124, 004, 285. 00	118, 079, 129. 00	−5, 925, 156. 00
Total, War Department—			
Regular annual	450, 023, 387. 32	396, 078, 513. 00	−53, 944, 874. 32
Damage claims	5, 431. 14		−5, 431. 14
Permanent and indefinite	14, 305, 415. 00	12, 576, 540. 00	−1, 728, 875. 00
Total	464, 334, 233. 46	408, 655, 053. 00	−55, 679, 180. 46
District of Columbia:			
Regular annual	46, 155, 709. 38	41, 245, 622. 00	−4, 910, 087. 38
Permanent and indefinite	3, 261, 000. 00	3, 252, 000. 00	−9, 000. 00
Total	49, 416, 709. 38	44, 497, 622. 00	−4, 919, 087. 38
Grand total:			
Regular annual	4, 437, 139, 034. 18	3, 153, 060, 751. 24	−1, 284, 078, 282. 94
Permanent and indefinite	1, 181, 407, 064. 00	1, 285, 907, 728. 00	+104, 500, 664. 00
Grand total, exclusive of emergency relief and construction act	5, 618, 546, 098. 18	4, 438, 968, 479. 24	−1, 179, 577, 618. 94
Emergency relief and construction act of 1932		322, 224, 000. 00	+322, 224, 000. 00
Grand total, including emergency relief and construction act	5, 618, 546, 098. 18	4, 761, 192, 479. 24	−857, 353, 618. 94
Estimated postal revenues	592, 500, 000. 00	725, 000, 000. 00	+132, 500, 000. 00
Grand total, less estimated postal revenues	5, 026, 046, 098. 18	4, 036, 192, 479. 24	−989, 853, 618. 94
Estimated savings in appropriations for the fiscal year 1933 on account of the economy act		150, 000, 000. 00	−150, 000, 000. 00
Net total, after deducting savings on account of the economy act	5, 026, 046, 098. 18	[4] 3, 886, 192, 479. 24	−1, 139, 853, 618. 94

[4] Does not include amounts for expenses of gift of wheat and cotton relief agencies or the appropriation for the Federal Home Loan Bank Board.

TABLE B.—*Comparison of appropriations by acts passed during the first session Seventy-second Congress with the Budget estimates therefor, excluding permanent appropriations and private acts*

Appropriating act	Budget estimate	Appropriation acts	Increase (+) or decrease (−), appropriations compared with estimates
REGULAR ANNUAL APPROPRIATION ACTS			
Agricultural	$188, 693, 405. 00	$175, 671, 665. 00	−$13, 021, 740. 00
District of Columbia	44, 094, 919. 00	41, 245, 622. 00	−2, 849, 297. 00
Independent offices	1, 041, 395, 041. 00	982, 446, 041. 00	−58, 949, 000. 00
Interior	[1] 52, 840, 352. 33	45, 533, 672. 33	−7, 306, 680. 00
Legislative	[2] 22, 094, 022. 00	18, 673, 991. 00	−3, 420, 031. 00
Navy	341, 677, 450. 00	317, 583, 591. 00	−24, 093, 859. 00
State, Justice, Commerce, and Labor:			
State	16, 683, 071. 89	13, 663, 792. 89	−3, 019, 279. 00
Justice	53, 900, 364. 00	45, 996, 000. 00	−7, 904, 364. 00
Commerce	44, 716, 304. 00	39, 711, 408. 00	−5, 004, 896. 00
Labor	14, 484, 397. 00	12, 920, 770. 00	−1, 563, 627. 00
Total, State, Justice, Commerce, and Labor	129, 784, 136. 89	112, 291, 970. 89	−17, 492, 166. 00

[1] This sum excludes $4,000,000 transferred to second deficiency bill estimates on account of Boulder Canyon project.

[2] This sum excludes $5,000 transferred to second deficiency bill estimates on account of assistants in the office of the Clerk of the House of Representatives.

TABLE B.—*Comparison of appropriations by acts passed during the first session Seventy-second Congress with the Budget estimates therefor, excluding permanent appropriations and private acts*—Continued

Appropriating act	Budget estimate	Appropriation acts	Increase (+) or decrease (−) appropriations compared with estimates
Treasury and Post Office:			
Treasury	$269, 016, 418. 00	$250, 308, 158. 00	−$18, 708, 260. 00
Post Office	814, 061, 987. 00	805, 939, 675. 00	−8, 122, 312. 00
Total, Treasury and Post Office	1, 083, 078, 405. 00	1, 056, 247, 833. 00	−26, 830, 572. 00
War:			
Military activities	301, 030, 642. 00	289, 500, 024. 00	−11, 530, 618. 00
Nonmilitary activities	110, 333, 120. 00	106, 578, 489. 00	−3, 754, 631. 00
Total, War	411, 363, 762. 00	396, 078, 513. 00	−15, 285, 249. 00
Total, regular appropriation acts	[3] 3,315, 021, 493. 22	3, 145, 772, 899. 22	−169, 248, 594. 00
DEFICIENCY APPROPRIATION ACTS			
First deficiency, 1932	141, 031, 184. 07	126, 250, 333. 89	−14, 780, 850. 18
Second deficiency, 1932	[4] 22, 779, 019. 61	22, 682, 369. 61	−96, 650. 00
Total deficiency acts	163, 810, 203. 68	148, 932, 703. 50	−14, 877, 500. 18
Total, regular annual and deficiency acts	3, 478, 831, 696. 90	3, 294, 705, 602. 72	−184, 126, 094. 18
SPECIAL APPROPRIATION ACTS			
Reconstruction Finance Corporation	500, 000, 000. 00	500, 000, 000. 00	
Emergency relief and construction act	[5] 322, 224, 000. 00	322, 224, 000. 00	
Federal land banks	125, 000, 000. 00	125, 000, 000. 00	
Veterans' Administration:			
Adjusted compensation, etc	203, 925, 000. 00	203, 925, 000. 00	
Pensions	12, 750, 000. 00	12, 750, 000. 00	
Miscellaneous	1, 214, 500. 00	1, 046, 500. 00	−168, 000. 00
Total, special acts	1, 165, 113, 500. 00	1, 164, 945, 500. 00	−168, 000. 00
Grand total	4, 643, 945, 196. 90	4, 459, 651, 102. 72	−184, 294, 094. 18
Deduct estimated savings in appropriations for 1933 on account of the economy act		150, 000, 000. 00	−150, 000, 000. 00
Net grand total	[6] 4, 643, 945, 196. 90	[6] 4, 309, 651, 102. 72	−334, 294, 094. 18

[3] This sum excludes $4,005,000 transferred as indicated in notes 1 and 2.
[4] This sum includes $4,005,000 transferred as indicated in notes 1 and 2.
[5] No formal budget estimate submitted. This sum included pursuant to indicated approval by the President in his message of July 11, 1932.
[6] These totals are exclusive of permanent appropriations.

TABLE C.—*Recapitulation of appropriations by acts, irrespective of fiscal years, Seventy-second Congress, first session*

Title of act		Amount
REGULAR ANNUAL ACTS, FISCAL YEAR 1933		
Agriculture		$175, 671, 665. 00
District of Columbia		41, 245, 622. 00
Executive office and independent offices		982, 446, 041. 00
Interior		45, 533, 672. 30
Legislative establishment		18, 673, 991. 00
Navy		317, 583, 591. 00
State, Justice, Commerce, and Labor:		
State	$13, 663, 792. 89	
Justice	45, 996, 000. 00	
Commerce	39, 711, 408. 00	
Labor	12, 920, 770. 00	
		112, 291, 970. 89
Treasury and Post Office:		
Treasury	250, 308, 158. 00	
Post Office	805, 939, 675. 00	
		1, 056, 247, 833. 00

TABLE C.—*Recapitulation of appropriations by acts, irrespective of fiscal years, Seventy-second Congress, first session*—Continued

Title of act		Amount
War:		
Military	$289, 500, 024. 00	
Nonmilitary	106, 578, 489. 00	
		$396, 078, 513. 00
Total, regular annual acts		3, 145, 772, 899. 22
DEFICIENCY APPROPRIATION ACTS, FISCAL YEAR 1932 AND PRIOR YEARS		
First deficiency, 1932		126, 250, 333. 89
Second deficiency, 1932		22, 682, 369. 61
Total, deficiency appropriation acts, fiscal year 1932 and prior years		148, 932, 703. 50
MISCELLANEOUS ACTS CARRYING APPROPRIATIONS, FISCAL YEARS 1932 AND 1933		
Veterans' Administration, adjusted-certificate fund, etc		203, 925, 000. 00
Pensions		12, 750, 000. 00
Emergency relief and construction act of 1932		322, 224, 000. 00
Reconstruction Finance Corporation		500, 000, 000. 00
Capital stock of Federal land banks		125, 000, 000. 00
Miscellaneous		1, 046, 500. 00
Total, miscellaneous acts		1, 164, 945, 500. 00
Total, regular annual, deficiency, and miscellaneous acts		4, 459, 651, 102. 72
PERMANENT AND INDEFINITES, FISCAL YEAR 1933		
Interest on public debt		640, 000, 000. 00
Sinking fund and other debt-retirement funds		496, 803, 478. 00
Ordinary permanents and indefinites		149, 104, 250. 00
Total, permanents and indefinites		1, 285, 907, 728. 00
Grand total		5, 745, 558, 830. 72
Deduct:		
Estimated postal revenues, fiscal year 1933	$725, 000, 000. 00	
Estimated savings on account of economy act for fiscal year 1933	150, 000, 000. 00	
		875, 000, 000. 00
Net grand total		4, 870, 558, 830. 72
Classification of foregoing appropriations by fiscal years:		
1933		$3, 886, 192, 479. 24
1932		977, 035, 786. 11
1931 and prior years		713, 591. 57
Judgments and audited claims		6, 616, 973. 80
Total		[1] 4, 870, 558, 830. 72

[1] Does not include any sum for private relief acts, for expenses of the gift of wheat and cotton through relief agencies, or the Federal Home Loan Bank Board.

RADIO BILLS AND RESOLUTIONS

Mr. NORBECK. Mr. President, I ask unanimous consent to have placed in the CONGRESSIONAL RECORD a revised list of "radio bills and resolutions" which have been introduced in Congress, with their final disposition and legislative history, compiled by Mr. John Nicolson.

The PRESIDENT pro tempore. There being no objection, it is so ordered.

The list is as follows:

RADIO BILLS AND RESOLUTIONS

Radio bills and resolutions introduced in the Fifty-eighth to and including the first session of the Seventy-second Congresses, 1903 to 1932, presenting their titles, by whom introduced, to what committees referred, and their subsequent legislative history, including references to debates, compiled by John Nicolson.

FIFTY-EIGHTH CONGRESS, 1903–1905

H. R. 17744 (58th Cong.), by Mr. Ketcham. Title: "To promote the efficiency of the Revenue Cutter Service by providing for the equipment of the vessels of that service with approved wireless telegraph apparatus for communication between vessels of the Coast Guard and coast wireless telegraphic stations." Referred to Committee on Interstate and Foreign Commerce (vol. 39, p. 890).

SIXTIETH CONGRESS, 1907–1909

S. 5949 (60th Cong.), by Mr. Hale. Title: "To regulate the use of wireless telegraphy." Referred to Committee on Naval Affairs (vol. 42, p. 2959).

S. 9279 (60th Cong.), by Mr. Frye. Title: "To require radiotelegraphic installations and radio telegraphers on certain ocean steamers." Referred to Committee on Commerce (vol. 43, p. 2120).

H. R. 17719 (60th Cong.), by Mr. Sheppard. Title: "Prescribing penalties for interference with official wireless messages." Referred to Committee on the Judiciary (vol. 42, p. 2322).

H. R. 18979 (60th Cong.), by Mr. Peters. Title: "Prescribing penalties for interference with official wireless messages." Referred to Committee on Naval Affairs (vol. 42, p. 3114).

H. R. 21689 (60th Cong.), by Mr. Beall of Texas. Title: "To promote the safety of employees and passengers upon steamships engaged in interstate, coastwise, or foreign commerce by requiring their equipment with wireless telegraph apparatus." Referred to Committee on Interstate and Foreign Commerce (vol. 42, p. 5902).

H. R. 27145 (60th Cong.), by Mr. Burke. Title: "To require radio telegraphic installations and radio telegraphers on certain ocean steamers." Referred to Committee on the Merchant Marine and Fisheries (vol. 43, p. 1454).

H. R. 27318 (60th Cong.), by Mr. Peters. Title: "To require radio telegraphic installations and radio telegraphers on certain ocean steamers." Referred to Committee on Interstate and Foreign Commerce (vol. 43, p. 1555).

H. R. 27480 (60th Cong.), by Mr. McCall. Title: "Requiring ships to be equipped with wireless telegraph apparatus." Referred to Committee on Interstate and Foreign Commerce (vol. 43, p. 1709).

H. R. 27672 (60th Cong.), by Mr. Burke. Title: "To require radio telegraph installations and radio telegraphers on certain ocean steamers." Referred to Committee on the Merchant Marine and Fisheries (vol. 43, p. 1887). Subsequent history: Reported back with amendments (H. Rept. 2086), page 2115; amended and passed House, pages 2495–2501. Referred to Senate Committee on Commerce, page 2545. On February 8, 1909, just before the committee's report back, President Roosevelt sent a message to Congress (in Senate, p. 2030; in House, p. 2064) emphasizing the importance of requiring ocean-going vessels to be equipped with wireless.

SIXTY-FIRST CONGRESS, 1909–1911

S. 2563 (61st Cong.), by Mr. Frye. Title: "To require apparatus and operators for radio communication on certain ocean steamers." Referred to Committee on Commerce (vol. 44, p. 2975).

S. 7021 (61st Cong.), by Mr. Bourne. Title: "To require apparatus and operator for radio communication on certain steamers." Referred to Committee on Commerce (vol. 45, p. 2898). Subsequent history: Reported back (S. Rept. 421), page 3339; debated, pages 3533, 5601, 5764; passed Senate, page 5764. Referred to House Committee on the Merchant Marine and Fisheries, page 5867; reported with amendments (H. Rept. 1373), page 6580; debated, amended, and passed House, pages 8558, 8559; Senate concurs in House amendment, page 8627; examined and signed, pages 8755, 8788; approved by the President (Public, No. 262).

S. 7061 (61st Cong.), by Mr. Depew. Title: "To regulate the use of radio communication." Referred to Committee on Commerce (vol. 45, p. 2991).

S. 7243 (61st Cong.), by Mr. Depew. Title: "To regulate radio communication." Referred to Committee on Commerce (vol. 45, p. 3270). Subsequent history: Reported with amendments (S. Rept. 659), page 5872; amended and passed Senate, page 8222; referred to House Committee on the Merchant Marine and Fisheries, page 8447.

S. J. Res. 141 (61st Cong.), by Mr. McCumber. Title: "For investigation of all wireless telegraph companies and corporations in the United States." Referred to Committee on Commerce (vol. 46, p. 2327).

H. R. 7548 (61st Cong.), by Mr. Douglas. Title: "Requiring radio telegraph equipment on certain ocean steamers." Referred to Committee on the Merchant Marine and Fisheries (vol. 44, p. 1363).

H. R. 12384 (61st Cong.), by Mr. Peters. Title: "Prescribing penalties for interferences with official wireless messages." Referred to Committee on Naval Affairs (vol. 45, p. 9).

H. R. 19560 (61st Cong.), by Mr. Burke of Pennsylvania. Title: "To regulate and control the use of wireless telegraphy and wireless telephony." Referred to Committee on the Merchant Marine and Fisheries (vol. 45, p. 1136).

H. R. 21757 (61st Cong.), by Mr. O'Connell. Title: "Requiring all vessels under the control of the Government excepting torpedo boats, torpedo-boat destroyers, and submarines to be equipped with wireless-telegraph apparatus." Referred to Committee on Naval Affairs (vol. 45, p. 2376).

H. R. 22558 (61st Cong.), by Mr. Burke of Pennsylvania. Title: "To regulate and control the use of wireless telegraphy and wireless telephony." Referred to Committee on the Merchant Marine and Fisheries (vol. 45, p. 2939).

H. R. 23595 (61st Cong.), by Mr. Greene. Title: "To regulate radio communications." Referred to Committee on the Merchant Marine and Fisheries (vol. 45, p. 3835). Subsequent history: Reported back (H. Rept. 924), page 4146.

H. Res. 933 (61st Cong.), by Mr. Rucker. Title: "To investigate wireless-telegraph system. Referred to Committee on Rules (vol. 46, p. 1520). Reference changed to Committee on the Merchant Marine and Fisheries (vol. 46, pp. 1743, 1900, 1901).

H. Res. 948 (61st Cong.), by Mr. Rucker. Title: "To investigate wireless-telegraph system. Referred to Committee on Rules (vol. 46, p. 1966).

H. J. Res. 95 (61st Cong.), by Mr. Roberts. Title: "To regulate and control the use of wireless telegraphy and wireless telephony." Referred to Committee on Naval Affairs (vol. 45, p. 246). Subsequent history: Reported back (H. Rept. 892), and House Joint Resolution 182 substituted, page 3987.

H. J. Res. 182 (61st Cong.), by Mr. Roberts. Title: "To regulate and control the use of wireless telegraphy and wireless telephony." Presented by Committee on Naval Affairs (vol. 45, p. 3987 as a substitute for House Joint Resolution 95, together with a report (No. 892), which report and resolution were referred to the Committee of the Whole House on the state of the Union (vol. 45, p. 3987).

SIXTY-SECOND CONGRESS, 1911–1913

S. 3620 (62d Cong.), by Mr. Nelson. Title: "To regulate radio communication." Referred to Committee on Commerce (vol. 48, p. 184).

S. 3815 (62d Cong.), by Mr. Hitchcock. Title: "To amend an act entitled 'An act to require apparatus and operators for radio communication on certain ocean steamers.'" Referred to Committee on Commerce (vol. 48, p. 365). Subsequent history: Reported with amendment (S. Rept. 680), page 5542; debated, pages 5317, 5528, 5595; amended and passed Senate, page 5595; referred to House Committee on the Merchant Marine and Fisheries, page 5677; reported with amendment (H. Rept. 734), page 6736; debated, amended, and passed the House, pages 7575–7577; Senate disagrees to House amendment and asks for a conference, page 7593; House insists on its amendment and agrees to a conference, page 7801; conferees appointed, pages 7593, 7801; conference report (No. 1007) made in House, page 9189; conference report debated and agreed to in House, pages 9189, 9190; conference report made and agreed to in Senate, pages 9229, 9230; examined and signed, pages 9310, 9386; approved (Public, No. 238), page 9586.

S. 5334 (62d Cong.), by Bourne. Title: "To regulate radio communication." Referred to Committee on Commerce (vol. 48, p. 2079).

S. 5455 (62d Cong.), by Mr. McLean. Title: "To establish a system of wireless telegraphy in the Philippine Islands." Referred to Committee on Philippine Islands (vol. 48, p. 2434). Subsequent history: Reported with amendment (S. Rept. 703), page 5994; debated, page 8228.

S. 5630 (62d Cong.), by Mr. Smith. Title: "To regulate radio communication." Referred to Committee on Commerce (vol. 48, p. 2757).

S. 6412 (62d Cong.), by Mr. Bourne. Title: "To regulate radio communication." Referred to Committee on Commerce (vol. 48, p. 5013). Subsequent history: Mr. Bourne; report from Committee on Commerce (S. Rept. 698), pages 5013, 5959; debated, pages 5317, 6015–6018; amended and passed Senate, page 6018; referred to House Committee on the Merchant Marine and Fisheries, page 6099; reported back (H. Rept. 741), page 6851; debated, pages 7572–7574, 8296, 8297, 8535, 8536, 8667, 9078, 9249, 9255; substituted by House for H. R. 15357, page 9255; debate continued, pages 9821, 10502–10505, 10591–10596; amended and passed House, page 10596; Senate concurs in House amendment, page 10644; examined and signed, 10745, 10748; approved by the President (Public, No. 264, page 11045.

H. R. 15357 (62d Cong.), by Mr. Alexander. Title: "To regulate radio communication." Referred to Committee on the Merchant Marine and Fisheries (vol. 48, p. 220). Subsequent history: Reported with amendment (H. Rept. 582), page 5081; debated, pages 9249, 10596; bill S. 6412 substituted, pages 7572, 9255.

H. R. 16803 (62d Cong.), by Mr. Maguire. Title: "To amend an act entitled 'An act to require apparatus and operators for radio communication on certain ocean steamers,' approved June 24, 1910." Referred to Committee on the Merchant Marine and Fisheries (vol. 48, p. 676).

H. R. 23556 (62d Cong.), by Mr. O'Shaunessy. Title: "To amend an act to require apparatus and operators for radio communication on certain ocean steamers." Referred to Committee on the Merchant Marine and Fisheries (vol. 48, p. 5033).

H. R. 23716 (62d Cong.), by Mr. Berger. Title: "To provide for Government ownership of wireless telegraphs." Referred to Committee on Interstate and Foreign Commerce (vol. 48, p. 5307).

H. R. 23769 (62d Cong.), by Mr. Cary. Title: "Providing for equipment of apparatus and operators for radio communication at all life-saving stations." Referred to Committee on Interstate and Foreign Commerce (vol. 48, p. 5389).

H. R. 24025 (62d Cong.), by Mr. Alexander. Title: "To amend sections 4400 and 4448 of the Revised Statutes of the United States relating to the inspection of steam vessels, and section 1 of an act approved June 24, 1910, requiring apparatus and operator for radio communication on certain ocean-going steamers." Referred to Committee on the Merchant Marine and Fisheries (vol. 48, p. 5721). Subsequent history: Reported with amendment (H. Rept. 657), page 5911; debated, pages 6833, 6834, 9249, 10689–10691; amended and passed House, pages 10690–10691; referred to Senate Committee on Commerce, page 10706.

H. J. Res. 300 (62d Cong.), by Mr. Evans. Title: "To create a joint commission to investigate the use of the air for the purpose of communication and report what regulation, if any, is desirable." Referred to Committee on Interstate and Foreign Commerce (vol. 48, p. 5010).

SIXTY-THIRD CONGRESS, 1913–1915

S. 720 (63d Cong.), by Mr. McLean. Title: "To establish a system of wireless telegraphy in the Philippine Islands." Referred to Committee on the Philippine Islands (vol. 50, p. 161).

H. R. 3981 (63d Cong.), by Mr. Cary. Title: "Providing for equipment of apparatus and operators for radio communications at all life-saving stations." Referred to Committee on Interstate and Foreign Commerce (vol. 50, p. 357).

H. R. 12172 (63d Cong.), by Mr. Steenerson. Title: "To authorize the Postmaster General to establish an experimental radio-communication service." Referred to Committee on the Post Office and Post Roads (vol. 51, p. 2218).

H. J. Res. 172 (63d Cong.), by Mr. Moss of West Virginia. Title: "Directing the Secretary of War to investigate and report to Congress at the earliest practicable time the advisability of the establishment of wireless telegraph stations along the Ohio River." Referred to Committee on Military Affairs (vol. 51, p. 939).

SIXTY-FOURTH CONGRESS, 1915–1917

S. 2377 (64th Cong.), by Mr. Sheppard. Title: "For the establishment of a medium-power radio station at Galveston, Tex." Referred to Committee on Naval Affairs (vol. 53, p. 312).

S. 3776 (64th Cong.), by Mr. Jones. Title: "Providing for the establishment of a radio station on Unga Island, Alaska." Referred to Committee on Naval Affairs (vol. 53, p. 1424). Subsequent history: Reported with amendments (S. Rept. 449), page 8140; amended and passed Senate, page 11288; referred to House Committee on Naval Affairs, page 12982.

S. 7478 (64th Cong.), by Mr. Fletcher. Title: "To regulate radio communication." Referred to Committee on Commerce (vol. 54, p. 539).

H. R. 576 (64th Cong.), by Mr. Steenerson. Title: "To authorize the Postmaster General to establish an experimental radio com-

munication service." Referred to Committee on the Post Office and Post Roads (vol. 53, p. 26).

H. R. 9821 (64th Cong.), by Mr. Nolan. Title: "To prohibit the employment of any person who is not a citizen of the United States as radio operator or telegrapher on any vessel of the United States engaged in interstate or foreign commerce; and to establish the age of radio operators." Referred to Committee on the Merchant Marine and Fisheries (vol. 53, p. 1409).

H. R. 9823 (64th Cong.), by Mr. Cary. Title: "Providing for equipment of apparatus and operator for radio communication at all life-saving stations." Referred to Committee on Interstate and Foreign Commerce (vol. 53, p. 1409).

H. R. 9914 (64th Cong.), by Mr. Kahn. Title: "Making appropriation for a radio station on Unga Island, Alaska." Referred to Committee on Naval Affairs (vol. 53, p. 1481).

H. R. 13842 (64th Cong.), by Mr. Wickersham. Title: "Making an appropriation for the establishment of a radio station at Seward, Alaska." Referred to Committee on Appropriations (vol. 53, p. 5055).

H. R. 19350 (64th Cong.), by Mr. Alexander. Title: "To regulate radio communication." Referred to Committee on the Merchant Marine and Fisheries (vol. 54, p. 782).

H. R. 21098 (64th Cong.), by Mr. Lewis. Title: "To secure to the United States a monopoly of electrical communication for hire; to provide for the acquisition by the Post Office Department of the telephone and telegraph network; and to license certain telephone lines, radio and telegraph agencies." Referred to Committee on the Post Office and Post Roads (vol. 54, p. 4856).

SIXTY-FIFTH CONGRESS, 1917–1919

S. 1733 (65th Cong.), by Mr. Fletcher. Title: "To regulate radio communication." Referred to Committee on Commerce (vol. 55, p. 621).

S. 4681 (65th Cong.), by Mr. Fletcher. Title: "To further regulate radio communication." Referred to Committee on Commerce (vol. 56, p. 7521).

S. 5235 (65th Cong.), by Mr. Sheppard. Title: "To amend a joint resolution entitled 'Joint resolution to authorize the President in time of war to supervise or take possession and assume control of any telegraph, telephone, marine cable, or radio system or systems, or any part thereof, and operate the same in such manner as may be useful or desirable for the duration of the war, and to provide just compensation therefor,' approved July 16, 1918." Referred to Committee on Interstate Commerce.

S. 5287 (65th Cong.), by Mr. Kellogg. Title: "To provide for the control, supervision, and operation of telegraph, telephone, marine cable, and radio systems." Explained and referred to Committee on Interstate Commerce (vol. 57, p. 1081).

H. R. 2573 (65th Cong.), by Mr. Padgett Title: "To further regulate radio communication." Referred to Committee on the Merchant Marine and Fisheries (vol. 55, p. 504).

H. R. 4042 (65th Cong.), by Mr. Nolan. Title: "To prohibit the employment of any person who is not a citizen of the United States as a radio operator or telegrapher on any vessel of the United States engaged in interstate or foreign commerce, and to establish the age of radio operators." Referred to Committee on the Merchant Marine and Fisheries (vol. 55, p. 1723).

H. R. 4189 (65th Cong.), by Mr. Gould. Title: "Authorizing the use of radio stations under the jurisdiction of the Navy Department for commercial purposes between the United States and Hawaii, Guam, and the Philippines." Referred to Committee on Naval Affairs (vol. 55, p. 1843).

H. R. 10888 (65th Cong.), by Mr. Hilliard. Title: "To acquire military control, by eminent domain in the form of a lease, of the marine cable, wireless, and telephone and telegraphic agencies of communication, providing for their unification to release large numbers of operators and artisans for the military service, and providing for just rentals to the owners, pending their ultimate purchase." Referred to Committee on Military Affairs (vol. 56, p. 3813).

H. R. 12647 (65th Cong.), by Mr. Padgett. Title: "To regulate and control the manufacture, distribution, storage, use, and possession in time of war of apparatus used in radio communication, and for other purposes." Referred to Committee on Naval Affairs (vol. 56, p. 8661).

H. R. 13159 (65th Cong.), by Mr. Alexander. Title: "To further regulate radio communication." Referred to Committee on the Merchant Marine and Fisheries (vol. 56, p. 11669).

H. J. Res. 427 (65th Cong.), by Mr. Greene of Massachusetts. Title: "Directing the Secretary of the Navy to instruct the United States representative to the Inter-Allied Radio Conference that they shall not commit the United States to any policy of government ownership or operation of commercial radio stations." Referred to Committee on Naval Affairs (vol. 57, p. 3406).

H. Res. 577 (65th Cong.), by Mr. Greene of Massachusetts. Title: "Directing the Secretary of the Navy to furnish forthwith to the House of Representatives the originals or copies of all papers, documents, or correspondence on file in the Navy Department relating generally to the subject of an interallied radio conference, and other facts relative to the origin and purpose of such conference." Referred to Committee on Naval Affairs (vol. 57, p. 3406). Subsequent history: Committee discharged; agreed to, page 4245.

SIXTY-SIXTH CONGRESS, 1919–1921

S. 120 (66th Cong.), by Mr. Kellogg. Title: "To repeal chapter 154 of the act of the second session of the Sixty-fifth Congress, being the joint resolution entitled 'Joint resolution to authorize the President in time of war to supervise or take possession and assume control of any telegraph, telephone, marine cable, or radio system or systems, or any part thereof, and to operate the same in such manner as may be needful or desirable for the duration of the war, and to provide just compensation therefor,' approved July 16, 1918." Referred to Committee on Interstate Commerce (vol. 58, p. 56). Subsequent history: Reported with amendment (S. Rept. 4), page 636; debated, pages 746, 857–859, 915–922; amended and passed Senate, page 922; referred to House Committee on Interstate and Foreign Commerce, page 1006; reported with amendment (H. Rept. 45), page 1199; debated, pages 1337–1365, 1394–1395; passed House, page 1396; Senate asks for conference, page 1427; House agrees to conference, page 1448; conferees appointed, pages 1427, 1448; conference report made in the House (H. Rept. 71), page 1776; conference report made in Senate and agreed to, pages 1720, 1906–1907; conference report agreed to in House, pages 1924–1925; examined and signed, pages 2047, 2102; approved by the President (Public, No. 9), page 2532.

S. 154 (66th Cong.), by Mr. Jones of Washington. Title: "Providing for the establishment of a radio station on Unga Island, Alaska." Referred to Committee on Naval Affairs (vol. 58, p. 57). Subsequent history: Reported back adversely and indefinitely postponed, page 4994.

S. 2523 (66th Cong.), by Mr. Calder. Title: "To amend section 3 of an act entitled 'An act to regulate radio communication,' approved August 13, 1912." Referred to Committee on Commerce (vol. 58, p. 2696).

S. 3172 (66th Cong.), by Mr. Lodge. Title: "To authorize the President of the United States to arrange and participate in an international conference to consider questions relating to international communication." Referred to Committee on Foreign Relations (vol. 58, p. 6484).

S. 3177 (66th Cong.), by Mr. Poindexter. Title: "Authorizing commercial service by naval radio plants." Referred to Committee on Naval Affairs (vol. 58, p. 6484).

S. 3399 (66th Cong.), by Mr. McNary. Title: "Authorizing the use of radio stations under the control of the Navy Department for commercial purposes, and for other purposes." Referred to Committee on Commerce (vol. 58, p. 8114).

S. 4038 (66th Cong.), by Mr. Poindexter. Title: "To regulate the operation of and to foster the development of radio communications in the United States." Referred to Committee on Naval Affairs (vol. 59, p. 4001). See Senate Document 248.

S. 4487 (66th Cong.), by Mr. Calder. Title: "To amend section 1 of the act entitled 'An act to require apparatus and operators for radio communication on certain ocean steamers,' approved June 24, 1910, as amended." Referred to Committee on Commerce.

S. 4681 (66th Cong.), by Mr. Fletcher. Title: "To further regulate radio communications." Referred to Committee on Commerce (vol. 56, p. 7521).

S. J. Res. 130 (66th Cong.), by Mr. King. Title: "Proposing a plan for the adjustment of claims made by citizens of the United States for indemnification for losses suffered in Mexico not otherwise redressed." Referred to Committee on Foreign Relations (vol. 59, p. 111).

S. J. Res. 170 (66th Cong.), by Mr. Poindexter. Title: "To authorize and direct the Secretary of the Navy to open certain naval radio stations for the use of the general public." Referred to Committee on Naval Affairs (vol. 59, p. 3865). Subsequent history: Reported with amendment (S. Rept. 466), page 4112; debated, amended, and passed Senate, pages 4112–4117; referred to House Committee on the Merchant Marine and Fisheries, page 4258; reported with amendments (H. Rept. 1003), page 7324; debated, amended, and passed House, pages 7709–7711; Senate concurs in House amendment, pages 7874–7875; examined and signed, pages 8156, 8160; approved by the President (Public Resolution No. 48), page 8620.

H. R. 421 (66th Cong.), by Mr. Esch. Title: "To repeal chapter 154 of the act of the second session of the Sixty-fifth Congress, being the joint resolution entitled 'Joint resolution to authorize the President in time of war to supervise or take possession and assume control of any telegraph, telephone, marine cable, or radio system or systems, or any part thereof, and to operate the same in such manner as may be needful or desirable for the duration of the war, and to provide just compensation therefor.'" Referred to Committee on Interstate and Foreign Commerce (vol. 58, p. 21).

H. R. 3075 (66th Cong.), by Mr. Nolan. Title: "To prohibit the employment of any person who is not a citizen of the United States as radio operator or telegrapher on any vessel of the United States engaged in interstate or foreign commerce, and to establish the age of radio operators." Referred to Committee on the Merchant Marine and Fisheries (vol. 58, p. 272).

H. R. 7007 (66th Cong.), by Mr. Britten. Title: "To require the installation of wireless equipment on all passenger-carrying ships measuring more than 150 feet in length." Referred to Committee on the Merchant Marine and Fisheries (vol. 58, p. 2303).

H. R. 7288 (66th Cong.), by Mr. Mapes. Title: "To require the installation of wireless equipment on all boats or ships carrying passengers for fare and going out of sight of land." Referred to Committee on the Merchant Marine and Fisheries (vol. 58, p. 2574).

H. R. 9822 (66th Cong.), by Mr. Rogers. Title: "To authorize the President of the United States to arrange and participate in an international conference to consider questions relating to international communications." Referred to Committee on Foreign Affairs (vol. 58, p. 6659). Subsequent history: Reported with amendment (H. Rept. 387), page 7044; debated, amended, and passed House, pages 7329–7349, 9212–9214; referred to Senate Committee on Foreign Relations, page 7355; reported back, page 267; passed Senate, page 267; examined and signed, pages 386, 389;

presented to the President, page 469; approved (Public, No. 100), page 769.

H. R. 10831 (66th Cong.), by Mr. White of Maine. Title: "To restore to private ownership and operation certain radio stations, and for other purposes." Referred to Committee on the Merchant Marine and Fisheries (vol. 59, p. 100).

H. R. 11779 (66th Cong.), by Mr. White of Maine. Title: "To restore to private ownership and operation certain radio stations, and for other purposes." Referred to Committee on the Merchant Marine and Fisheries (vol. 59, p. 1602).

H. R. 12305 (66th Cong.), by Mr. Britten. Title: "To acquire site for distant-control radio station in Porto Rico." Referred to Committee on Naval Affairs (vol. 59, p. 2482).

H. R. 15512 (66th Cong.), by Mr. Stephens. Title: "To acquire site for distant-control radio station in Porto Rico." Referred to Committee on Naval Affairs (vol. 59, p. 973).

H. J. Res. 217 (66th Cong.), by Mr. Greene of Massachusetts. Title: "To direct the Secretary of the Navy to remove the restrictions on the use and operation of amateur radio stations throughout the United States." Referred to the Committee on Merchant Marine and Fisheries (vol. 58, p. 6013).

H. J. Res. 218 (66th Cong.), by Mr. Greene of Massachusetts. Title: "To direct the Secretary of the Navy to open certain naval radio stations for the use of the general public." Referred to Committee on the Merchant Marine and Fisheries (vol. 58, p. 6013).

H. J. Res. 304 (66th Cong.), by Mr. Greene of Massachusetts. Title: "To authorize and direct the Secretary of the Navy to open certain naval radio stations for the use of the general public." Referred to Committee on Merchant Marine and Fisheries (vol. 59, p. 3651).

H. J. Res. 409 (66th Cong.), by Mr. Britten. Title: "To authorize and direct the Secretary of the Navy to open certain naval radio stations for the dissemination of public information." Referred to Committee on Merchant Marine and Fisheries (vol. 60, p. 305).

H. J. Res. 461 (66th Cong.), by Mr. Chindblom. Title: "To amend section 2 of the joint resolution entitled 'Joint resolution to authorize the operation of Government-owned radio stations for the use of the general public, and for other purposes,' approved June 5, 1920." Referred to Committee on Merchant Marine and Fisheries (vol. 60, p. 2101). Reported back (H. Rept. 1269) (vol. 60, p. 2284).

H. Res. 283 (66th Cong.), by Mr. Greene of Massachusetts. Title: "Requesting information of the Secretary of the Navy." Referred to Committee on Merchant Marine and Fisheries (vol. 58, p. 4952).

H. Res. 291 (66th Cong.), by Mr. Greene of Massachusetts. Title: "Requesting information of the Secretary of the Navy." Referred to Committee on Merchant Marine and Fisheries (vol. 58, p. 5479).

SIXTY-SEVENTH CONGRESS, 1921–1923

S. 31 (67th Cong.), by Mr. Poindexter. Title: "To regulate the operation of and to foster the development of radio communications in the United States." Referred to Committee on Naval Affairs (vol. 61, p. 143).

S. 1627 (67th Cong.), by Mr. Kellogg. Title: "To regulate the operation of and to encourage the development of radio communication in the United States." Referred to Committee on Interstate Commerce (vol. 61, p. 1097).

S. 1628 (67th Cong.), by Mr. Kellogg. Title: "To regulate radio communication and to foster its development." Referred to Committee on Interstate Commerce (vol. 61, p. 1097.)

S. 2290 (67th Cong.), by Mr. Calder. Title: "To amend section 3 of an act entitled 'An act to regulate radio communications,' approved August 3, 1912." Referred to Committee on Commerce (vol. 61, p. 4156).

S. 3694 (67th Cong.), by Mr. Kellogg. Title: "To amend an act entitled 'An act to regulate radio communication,' approved August 13, 1912, and for other purposes." Referred to Committee on Interstate Commerce (vol. 62, p. 8399).

S. J. Res. 22 (67th Cong.), by Mr. McCormick. Title: "To amend section 2 of the joint resolution entitled 'Joint resolution to authorize the operation of Government-owned radio stations for the use of the general public, and for other purposes,' approved June 5, 1920." Referred to Committee on Naval Affairs (vol. 61, p. 188).

H. R. 163 (67th Cong.), by Mr. Curry. Title: "Authorizing the use of radio stations under the control of the Navy Department for commercial purposes, and for other purposes." Referred to Committee on the Merchant Marine and Fisheries (vol. 61, p. 90).

H. R. 4132 (67th Cong.), by Mr. White of Massachusetts. Title: "To regulate the operation of and to encourage the development of radio communication in the United States." Referred to Committee on the Merchant Marine and Fisheries (vol. 61, p. 418).

H. R. 5889 (67th Cong.), by Mr. White of Massachusetts. Title: "To regulate radio communication and to foster its development." Referred to Committee on the Merchant Marine and Fisheries (vol. 61, p. 1143).

H. R. 7111 (67th Cong.), by Mr. Kahn. Title: "Authorizing the Secretary of War, the Attorney General, and the Secretary of the Navy, jointly, to make settlement of damages and compensation due by the United States for infringement of radio patents connected with the prosecution of the war, and for other purposes." Referred to Committee on Military Affairs (vol. 61, p. 2548). Reported back (H. Rept. 173, vol. 61, p. 2647). Debated, p. 4272. Motion to strike out enacting clause, p. 4282. Debated and agreed to (vol. 61, pp. 4282–4285).

H. R. 11964 (67th Cong.), by Mr. White of Massachusetts. Title: "To amend an act to regulate radio communications, approved August 13, 1912, and for other purposes." Referred to Committee on the Merchant Marine and Fisheries (vol. 62, p. 8508).

H. R. 13773 (67th Cong.), by Mr. White of Massachusetts. Title: "To amend an act to regulate radio communication, approved August 3, 1912, and for other purposes." Referred to Committee on the Merchant Marine and Fisheries (vol. 64, p. 1617). Subsequent history: Reported back (H. Rept. 1416), page 1865; debated, pages 2328–2355, 2781–2798; amended and passed House, page 2798; referred to Senate Committee on Interstate Commerce, page 3238.

H. R. 14169 (67th Cong.), by Mr. Sinclair. Title: "To secure to the United States a monopoly of the electrical means for the transmission of intelligence for hire; to provide for the acquisition by the Post Office Department of the telephone and telegraph network; and to license certain telephone lines, radio and telegraph agencies." Referred to Committee on Interstate and Foreign Commerce (vol. 64, p. 2924).

H. J. Res. 7 (67th Cong.), by Mr. Chindblom. Title: "To amend section 2 of the joint resolution entitled 'Joint resolution to authorize the operation of Government-owned radio stations for the use of the general public, and for other purposes,' approved June 5, 1920." Referred to Committee on the Merchant Marine and Fisheries (vol. 61, p. 99). Reported with amendments (H. Rept. 59), page 1240; debated, pages 2158, 2913–2924; amended and passed, page 2924; referred to Senate Committee on Naval Affairs, page 2928.

H. J. Res. 278 (67th Cong), by Mr. Brennan. Title: "Providing for the installation and operation of radiotelephone transmitting apparatus for the purpose of transmitting the proceedings and debates of the Senate and of the House of Representatives, and for other purposes." Referred to Committee on the Merchant Marine and Fisheries (vol. 62, p. 3130).

H. J. Res. 287 (67th Cong.), by Mr. Brand. Title: "Directing the United States Department of Agriculture to investigate feasibility of furnishing market prices of cotton by radiophone to the farmers of cotton-growing States." Referred to Committee on Agriculture (vol. 62, p. 3888).

H. Res. 314 (67th Cong.), by Mr. Britten. Title: "Authorizing an investigation into the operations and accounts of the Radio Corporation of America, American Telegraph & Telephone Co., the Western Electric & Manufacturing Co., the General Electric Co., and the United Fruit Co." Referred to Committee on the Judiciary (vol. 62, p. 4835).

H. Res. 357 (67th Cong.), by Mr. Brand. Title: "Directing the United States Department of Agriculture and the Post Office Department to investigate the feasibility of furnishing market prices of cotton, corn, wheat, livestock, and dairy products by radiophone to the farmers." Referred to Committee on Agriculture (vol. 62, p. 7937). Subsequent history: Reported with amendment (H. Rept. 1064), page 3138; debated, page 8986.

H. Res. 525 (67th Cong.), by Mr. White. Title: "Requesting the Federal Trade Commission to investigate and to report to the House the facts relating to the ownership of radio patents, and for other purposes." Referred to Committee on the Merchant Marine and Fisheries (vol. 64, p. 3536).

H. Res. 548 (67th Cong.), by Mr. White. Title: "Requesting the Federal Trade Commission to investigate and report to the House the facts relating to the ownership of radio patents, and for other purposes." Referred to Committee on the Merchant Marine and Fisheries (vol. 64, p. 4212). Subsequent history: Reported back (H Rept. 1686), page 4341; considered and agreed to, page 5544.

SIXTY-EIGHTH CONGRESS, 1923–1925

S. 1692 (68th Cong.), by Mr. Jones. Title: "Providing for the establishment of a radio station on Unga Island, Alaska." Referred to Committee on Naval Affairs (vol. 65, p. 495).

S. 2524 (68th Cong.), by Mr. McNary. Title: "To amend an act to regulate radio communication, approved August 13, 1912, and for other purposes." Referred to Committee on Commerce (vol. 65, p. 2540).

S. 2796 (68th Cong.), by Mr. Dill. Title: "To regulate radio communications, to provide for the collection of license and radio-station fees, and for other purposes." Referred to Committee on Commerce (vol. 65, p. 3874).

S. 2813 (68th Cong.), by Mr. Howell. Title: "Reaffirming the use of the ether for radio communications or otherwise to be the inalienable possession of the Nation, and for other purposes." Referred to Committee on Interstate Commerce (vol. 65, p. 3940).

S. 2930 (68th Cong.), by Mr. Howell. Title: "Reaffirming the use of the ether for radio communication or otherwise to be the inalienable possession of the people of the United States and their Government, and for other purposes." Referred to Committee on Interstate Commerce (vol. 65, p. 4915). Subsequent history: Reported back (S. Rept. 311), page 5055; debated, page 5733; passed Senate, page 5737; referred to House Committee on the Merchant Marine and Fisheries, page 5907; reported with an amendment (H. Rept. 719), page 8496; referred back to the Committee on the Merchant Marine and Fisheries (vol. 66, p. 2361).

S. J. Res. 175 (68th Cong.), by Mr. Jones of Washington. Title: "To amend section 2 of the public resolution entitled 'Joint resolution to authorize the operation of Government-owned radio stations for the use of the general public, and for other purposes,' approved April 14, 1922." Referred to Committee on Commerce (vol. 66, p. 2501).

S. J. Res. 177 (68th Cong.), by Mr. Jones of Washington. Title: "To amend section 2 of the public resolution entitled 'Joint resolution to authorize the operation of Government-owned radio stations for the use of the general public, and for other purposes.'"

Referred to Committee on Commerce (vol. 66, p. 2613). Subsequent history: Reported back (S. Rept. 1104); passed Senate, page 3559; referred to House Committee on the Merchant Marine and Fisheries, page 3740; passed House, page 3876; examined and signed, pages 3990–3998; presented to the President, page 4101; approved (Pub. Res. No. 56), page 5090.

S. Res. 197 (68th Cong.), by Mr. Howell. Title: "Directing the Secretary of War and the Secretary of the Navy to cooperate in the appointment of a joint commission to report to the Senate respecting the use of the radio stations of the War and Navy Departments for the broadcasting of the proceedings of Congress." Ordered to lie over under the rule (vol. 65, p. 5056); referred to the Committee on Rules, page 5122; reported with amendments, page 7528; considered, amended, and agreed to, page 7666. Comments appear (vol. 65, pp. 5122, 9110, and 9962).

H. R. 7357 (68th Cong), by Mr. White. Title: "To regulate radio communication, and for other purposes." Referred to Committee on the Merchant Marine and Fisheries (vol. 65, p. 3294).

H. R. 8334 (68th Cong.), by Mr. Rayburn. Title: "Reaffirming the use of the ether for radio communications or otherwise to be the inalienable possession of the Nation, and for other purposes." Referred to Committee on the Merchant Marine and Fisheries (vol. 65, p. 5321).

H. J. Res. 311 (68th Cong), by Mr. Free. Title: "To amend section 2 of the joint resolution entitled 'Joint resolution to authorize the operation of Government-owned radio stations for the use of the general public, and for other purposes.'" Referred to Committee on the Merchant Marine and Fisheries (vol. 66, p. 756).

H. J. Res. 317 (68th Cong.), by Mr. Free. Title: Extending the time limitation authorizing the use of Government-owned radio stations for certain purposes." Referred to Committee on the Merchant Marine and Fisheries (vol. 66, p. 1501). Subsequent history: Reported back (H. Rept. 1133), page 1718.

H. J. Res. 334 (68th Cong.), by Mr. Free. Title: "To amend section 2 of the public resolution entitled 'Joint resolution to authorize the operation of Government-owned radio stations for the use of the general public, and for other purposes,' approved April 14, 1922." Referred to Committee on the Merchant Marine and Fisheries (vol. 66, p. 2550). Subsequent history: Reported back (H. Rept. 1345), page 2743; S. J. Res. 177 substituted for it, page 3876.

SIXTY-NINTH CONGRESS, 1925–1927

S. 1 (69th Cong.), by Mr. Howell. Title: "Reaffirming the use of the ether for radio communications or otherwise to be the inalienable possession of the people of the United States and their Government, and for other purposes." Referred to Committee on Interstate Commerce (vol. 67, p. 473).

S. 1754 (69th Cong.), by Mr. Dill. Title: "Reaffirming the use of the ether for radio communications or otherwise to be the inalienable possession of the people of the United States and their Government, providing for the regulation of radio communications, and for other purposes." Referred to Committee on Interstate Commerce (vol. 67, p. 904).

S. 2328 (69th Cong.), by Mr. Dill. Title: "To amend section 1 of an act entitled 'An act to amend and consolidate the acts respecting copyright,' approved March 4, 1909, as amended, by adding subsection (f)." Referred to Committee on Patents (vol. 67, p. 1807).

S. 3968 (69th Cong.), by Mr. Borah. Title: "To provide for the regulation of radio communications, and for other purposes." Referred to Committee on Interstate Commerce (vol. 67, p. 7341).

S. 4057 (69th Cong.), by Mr. Dill. Title: "For the regulation of radio communications, and for other purposes." Referred to Committee on Interstate Commerce (vol. 67, p. 7948).

S. 4156 (69th Cong.), by Mr. Dill. Title: "For the regulation of radio communications, and for other purposes." Referred to Committee on Interstate Commerce (vol. 67, p. 8574).

S. J. Res. 125 (69th Cong.), by Mr. Dill. Title: Limiting the time for which licenses for radio transmission may be granted, and for other purposes." Referred to and considered in the Committee of the Whole and passed Senate (vol. 67, p. 12959). Subsequent history: Debated and passed House, page 13046; statement, page 13067; examined and signed (vol. 68), pages 12, 38; presented to the President; approved, page 93 (Pub. Res. No. 47).

S. J. Res. 132 (69th Cong.), by Mr. Copeland. Title: "Authorizing the Secretary of Commerce to regulate radio broadcasting stations, and for other purposes." Referred to Committee on Interstate Commerce (vol. 67, p. 279).

S. J. Res. 165 (69th Cong.), by Mr. Copeland. Title: "Authorizing the Secretary of Commerce to regulate radiobroadcasting stations, and for other purposes." Referred to Committee on Interstate Commerce (vol. 68, pp. 4108, 4148).

H. R. 5589 (69th Cong.), by Mr. White. Title: "For the regulation of radio communications, and for other purposes." Referred to Committee on the Merchant Marine and Fisheries (vol. 67, p. 901). Subsequent history: Debated, pages 5474, 5485, 5585. Also see debates on H. R. 9971.

H. R. 9108 (69th Cong.), by Mr. White. Title: "For the regulation of radio communications, and for other purposes." Referred to Committee on the Merchant Marine and Fisheries (vol. 67, p. 3660). Subsequent history: Reported back (H. Rept. 404), page 4729; debated, pages 5473, 5474, 5485; laid on the table (see H. R. 9971), page 5716. See also debates on H. R. 9971.

H. R. 9971 (69th Cong.), by Mr. White. Title: "For the regulation of radio communications, and for other purposes." Referred to Committee on the Merchant Marine and Fisheries (vol. 68, p. 4956). Subsequent history: Reported back (H. Rept. 464), page 5130; debated, pages, 5473–5505, 5555–5586, 5645; amended and passed House, page 5647; referred to Senate Committee on Interstate Commerce, page 5688; reported with amendment (S. Rept. 772), page 8960; debated, pages 11436, 12000, 12230, 12335, 12480, 12497, 12614, 12617, 12630; amended and passed Senate; Senate insists upon its amendment and asks conference, page 12618; conferees appointed, page 12618; House disagrees to Senate amendment; agrees to conference, page 12778 (see S. J. Res. 125), page 12959; conference report submitted in House (H. Rept. 1886) (vol. 68, pp. 2405, 2556); debated, pages 2556–2580; agreed to, page 2580; conference report submitted in Senate (S. Doc. 200), page 2588; debated, pages 2750, 2869, 2882, 3025, 3037, 3117, 3123, 3244, 3257, 3329, 3431, 3569, 3589, 4027, 4109–4113, 4148; agreed to, page 4155; examined and signed, pages 4238, 4319; presented to the President, page 4493; approved (Public, No. 632), page 4938.

H. R. 10987 (69th Cong.), by Mr. Vestal. Title: "To amend the copyright act of 1909 with respect to radio and broadcasting." Referred to Committee on Patents (vol. 67, p. 6935).

H. R. 15909 (69th Cong.), by Mr. Underhill. Title: "Granting authority to the Secretary of Commerce to regulate radio communications." Referred to Committee on the Merchant Marine and Fisheries (vol. 68, p. 1152).

H. R. 16867 (69th Cong.), by Mr. Bloom. Title: "To prevent the radio broadcasters from charging the public for listening in." Referred to Committee on the Merchant Marine and Fisheries (vol. 68, p. 2744).

H. R. 17265 (69th Cong.), by Mr. Dickstein. Title: "To amend section 29 of the radio act, 1927." Referred to Committee on the Merchant Marine and Fisheries (vol. 68, p. 4393).

H. J. Res. 294 (69th Cong.), by Mr. Dickstein. Title: "Authorizing the Secretary of Commerce to regulate radiobroadcasting stations, and for other purposes." Referred to Committee on the Merchant Marine and Fisheries (vol. 68, p. 16).

H. J. Res. 296 (69th Cong.), by Mr. White. Title: "Prohibiting the issuance of radiobroadcasting licenses within the United States until otherwise prohibited." Referred to Committee on the Merchant Marine and Fisheries (vol. 68, p. 16).

SEVENTIETH CONGRESS, 1927–1929

S. 2317 (70th Cong.), by Mr. Watson. Title: "Continuing for one year the powers and authority of the Federal Radio Commission under the radio act of 1927, and for other purposes." Referred to Committee on Interstate Commerce (vol. 69, p. 1161). Subsequent history: Reported with amendment (S. Rept. 226), page 2405; debated, pages 2533, 2544, 2562; amended and passed Senate, page 2563; referred to House Committee on the Merchant Marine and Fisheries, page 2692; reported with amendment (H. Rept. 800), page 3828; made special order (H. Res. 132), page 4486; debated, pages 4473, 4486, 4500, 4508, 4562, 4590; amended and passed House, page 4589; Senate disagrees to House amendments and asks conference, page 4608; conferees appointed, pages 4610, 4662; House insists upon its amendments and agrees to conference, page 4662; conference report submitted in House (H. Rept. 992), pages 4989, 5113; debated, page 5113; agreed to, page 5120; conference report submitted in Senate, page 5155; debated, pages 5155–5175, 5288; agreed to, page 5304; examined and signed, pages 5408, 5413; presented to the President, page 5414; approved (Public, No. 195), page 5557.

S. 2783 (70th Cong.), by Mr. Dill. Title: "To provide for the forfeiture of patent rights in case of conviction under laws prohibiting monopoly." Referred to Committee on Patents (vol. 69, p. 1842). Subsequent history: Debated, page 8382; reported with amendments (S. Rept. 1493) (vol. 70), page 2088; debated, pages 2287–2288.

S. 2853 (70th Cong.), by Mr. Dill. Title: "To amend an act entitled 'An act for the regulation of radio communications,' approved February 23, 1927, and for other purposes." Referred to Committee on Interstate Commerce (vol. 69, p. 2116).

S. 4675 (70th Cong.), by Mr. Dill. Title: "To amend an act entitled 'An act for the regulation of radio communications,' approved February 23, 1927, and for other purposes." Referred to Committee on Interstate Commerce (vol. 70, p. 54).

S. 4929 (70th Cong.), by Mr. Watson. Title: "To amend an act entitled 'An act for the regulation of radio communications,' approved February 23, 1927." Referred to Committee on Interstate Commerce (vol. 70, p. 564).

S. 4937 (70th Cong.), by Mr. Watson. Title: "Continuing the powers of the Federal Radio Commission under the radio act of 1927, and for other purposes." Referred to Committee on Interstate Commerce (vol. 70, p. 3109). Subsequent history: Reported back (S. Rept. 1715), page 3109; debated, page 3746.

S. 5550 (70th Cong.), by Mr. Jones. Title: "To authorize the purchase by the Secretary of Commerce of a site, and the construction and equipment of a building thereon, for use as a constant-frequency monitoring radio station, and for other purposes." Referred to Committee on Commerce (vol. 70, p. 2276). Subsequent history: Reported back (S. Rept. 1602), page 2658; passed Senate, page 3147; referred to House Committee on Public Buildings and Grounds, page 3414; passed House (in lieu of H. R. 16608), page 3684; examined and signed, pages 3745, 3805; presented to the President, page 3812; approved (Public, No. 793), page 4120.

S. Res. 351 (70th Cong.), by Mr. Dill. Title: "Requesting the Federal Radio Commission to formulate a schedule of fees." Considered and agreed to, page 5058.

S. Con. Res. 29 (70th Cong.), by Mr. Dill. Title: "Recommending the prosecution by the Department of Justice of certain companies for alleged violation of the antitrust laws in connection with the manufacture of radio apparatus and radio communica-

tion." Referred to the Committee on Interstate Commerce (vol. 70, p. 1521).

H. R. 8825 (70th Cong.), by Mr. White. Title: "To amend an act entitled 'An act for the regulation of radio communications,' approved February 23, 1927, and for other purposes." Referred to Committee on the Merchant Marine and Fisheries (vol. 69, p. 1146).

H. R. 13750 (70th Cong.), by Mr. White. Title: "To amend an act entitled 'An act to require apparatus and operators for radio communication on certain ocean steamers,' approved June 24, 1910, as amended by the act approved July 23, 1912." Referred to Committee on the Merchant Marine and Fisheries (vol. 69, p. 8678).

H. R. 13931 (70th Cong.), by Mr. James. Title: "To authorize an appropriation for the construction of a building for a radio and communication center at Bolling Field, D C." Referred to Committee on Military Affairs (vol. 70, p. 9420). Subsequent history: Reported with amendment (H. Rept. 2138), page 1946; debated, page 2776; amended and passed House, page 3670; referred to Senate Committee on Military Affairs, page 3712; reported with amendment (S. Rept. 1863), amended, and passed Senate, page 4111; House concurs in Senate amendments, page 4615; examined and signed, pages 4697, 4812; approved (Public, No. 875), page 5226.

H. R. 14467 (70th Cong.), by Mr. Huddleston. Title: "To amend the radio act of 1927." Refered to Committee on the Merchant Marine and Fisheries (vol. 70, p. 15).

H. R. 14819 (70th Cong.), by Mr. Davis. Title: "To amend an act entitled 'An act for the regulation of radio communication, and for other purposes,' approved February 23, 1927." Referred to Committee on the Merchant Marine and Fisheries (vol. 70, p. 121).

H. R. 15430 (70th Cong.), by Mr. White. Title: "Continuing the powers and authority of the Federal Radio Commission under the radio act of 1927, and for other purposes." Referred to Committee on the Merchant Marine and Fisheries (vol. 70, p. 710). Subsequent history: Reported back (H. Rept. 2396), page 2963; made special order (H. Res. 321), pages 3764, 3766; debated, pages 3766, 3777; amended and passed House, page 3787; in Senate, read twice and ordered to lie on the table, page 3812; debated, pages 4848, 4872; passed Senate, amended, page 4885; House agrees to Senate amendments, page 5070; examined and signed, pages 5170, 5217; presented to the President, page 5230; approved (Public, No. 1029), page 5229.

H. R. 15572 (70th Cong.), by Mr. Darrow. Title: "To amend the radio act of 1927." Referred to Committee on the Merchant Marine and Fisheries (vol. 70, p. 907).

H. R. 15922 (70th Cong.), by Mr. Crowther. Title: "To provide for not less than 50 clear channels of radio communication." Referred to Committee on the Merchant Marine and Fisheries (vol. 70, p. 1237).

H. R. 16608 (70th Cong.), by Mr. Elliott. Title: "To authorize the purchase by the Secretary of Commerce of a site, and the construction and equipment of a building thereon, for the use as a constant-frequency monitoring radio station, and for other purposes." Referred to Committee on Public Buildings and Grounds (vol. 70, p. 2255). Subsequent history: Reported back (H. Rept. 2293), page 2506; laid on the table (S. 5550 passed in lieu), page 3684.

H. J. Res. 316 (70th Cong.), by Mr. Porter. Title: "Authorizing an appropriation in the sum of $12,350 to pay for the expenditures involved in the participation by the United States in the International Juridical Congress on Wireless Telegraphy, to be held at Rome in 1928." Referred to Committee on Foreign Affairs (vol. 69), page 9518. Subsequent history: Reported back (H. Rept. 1875), page 10045; debated (vol. 70), page 757.

H. J. Res. 317 (70th Cong.), by Mr. Porter. Title: "Authorizing an appropriation in the sum of $19,800 to pay for the expenditures involved in the participation by the United States in the International Telegraph Conference to be held at Brussels in 1928." Referred to Committee on Foreign Affairs (vol. 69, p. 9518). Subsequent history: Reported back (H. Rept. 1876), page 10045; debated (vol. 70), page 757.

H. Con. Res. 47 (70th Cong.), by Mr. Davis. Title: "Requesting the Federal Trade Commission to transmit to the Attorney General evidence taken under complaint charging monopoly in radio, and requesting Attorney General to consider and take such action as may be warranted." Referred to Committee on the Merchant Marine and Fisheries (vol. 70, p. 1609).

H. Res. 60 (70th Cong.), by Mr. Bloom. To amend the rules of the House of Representatives and provide for a committee on communications, radio, and broadcasting. Referred to Committee on Rules (vol. 69, p. 877).

SEVENTY-FIRST CONGRESS, 1929–1931

S. 6 (71st Cong.), by Mr. Couzens. Title: "To provide for the regulation of the transmission of intelligence by wire or wireless." Referred to Committee on Interstate Commerce (vol. 71, p. 102).

S. 908 (71st Cong.), by Mr. Watson. Title "To amend an act entitled 'An act for the regulation of radio communication, and for other purposes,' approved February 23, 1927." Referred to the Committee on Interstate Commerce (vol. 71, p. 699).

S. 1563 (71st Cong.), by Mr. Nye. Title: "To establish and operate a Government radiobroadcasting station." Referred to Committee on Interstate Commerce (vol. 71, p. 3022).

S. 2276 (71st Cong.), by Mr. Dill. Title: "Continuing the powers and authority of the Federal Radio Commission under the radio act of 1927, as amended." Referred to Committee on Interstate Commerce (vol. 72, p. 30). Subsequent history: Reported with amendment (S. Rept. 56), page 434; debated, page 706; passed Senate as amended, page 715; taken from Speaker's table and passed House, page 761; examined and signed, pages 804, 811; presented to the President, page 838; approved (Public, No. 25), page 1044.

S. 3448 (71st Cong.), by Mr. Johnson. Title: "To amend the act of February 21, 1929, entitled 'An act to authorize the purchase by the Secretary of Commerce of a site and the construction and equipment of a building thereon, for use as a constant-frequency monitoring radio station, and for other purposes.'" Referred to Committee on Commerce (vol. 72, p. 3136). Subsequent history: Reported back (S. Rept. 195), page 3965; passed Senate, page 6579; taken from Speaker's table and passed House in lieu of H. R. 9483, page 6720; examined and signed, pages 6766, 6816; presented to the President, page 6822; approved (Public, No. 123), page 7056.

S. 3522 (71st Cong.), by Mr. Nye. Title "To amend section 9 of the act entitled 'An act for the regulation of radio communications, and for other purposes,' approved February 23, 1927." Referred to Committee on Interstate Commerce (vol. 72, p. 3410).

S. 3849 (71st Cong.), by Mr. Keyes. Title: "To authorize the Secretary of Commerce to purchase land and to construct buildings and facilities suitable for radio research investigations." Referred to Commitee on Public Buildings and Grounds (vol. 72, p. 5027).

S. 5503 (71st Cong.), by Mr. Dill. Title: "Authorizing purchase of land and construction of building for radio station near Grand Island, Nebr." Referred to Committee on Commerce (vol. 74, p. 1360). Reported back (S. Rept. 1661), page 5356. Passed Senate, p. 6114. Referred to House Committee on the Merchant Marine and Fisheries, page 6306.

S. 5583 (71st Cong.), by Mr. Dill. Title: "To amend the radio act of 1927, approved February 23, 1927, and for other purposes." Referred to Committee on Interstate Commerce. (Vol. 74, p. 1547).

S. 5589 (71st Cong.), by Mr. Fess. Title: "To amend the radio act of 1927, as amended." Referred to Committee on Interstate Commerce (vol. 74, p. 1614).

S. 5891 (71st Cong.), by Mr. Couzens. Title: "To amend section 2 of the radio act of 1927." Referred to Committee on Interstate Commerce (vol. 74, p. 3252).

S. 5892 (71st Cong.), by Mr. Couzens. Title: "To amend section 4 of the radio act of 1927." Referred to Committee on Interstate Commerce (vol. 74, p. 3252).

S. 5893 (71st Cong.), by Mr. Couzens. Title: "To amend section 9 of the radio act of 1927." Referred to Committee on Interstate Commerce (vol. 74, p. 3253).

S. 5894 (71st Cong.), by Mr. Couzens. Title: "To amend section 14 of the radio act of 1927." Referred to Committee on Interstate Commerce (vol. 74, p. 3253).

S. 6240 (71st Cong.), by Mr. McNary. Title: "To prohibit the broadcasting of lotteries by radio." Referred to Committee on Interstate Commerce (vol. 74, p. 5919).

S. J. Res. 176 (71st Cong.), by Mr. Dill. Title: "Transferring the functions of the Radio Division of the Department of Commerce to the Federal Radio Commission." Referred to Committee on Interstate Commerce (vol. 72, p. 8711). Subsequent history: Reported with amendment (S. Rept. 694), page 9190; amended and passed Senate, page 9356; referred to House Committee on the Merchant Marine and Fisheries, page 9485; reported with amendment (H. Rept. 1633), page 9520; debated, pages 11523–11524.

S. J. Res. 220 (71st Cong.), by Mr. Glenn. Title: "Directing the Federal Radio Commission to assign three clear channels to Government departments." Referred to Committee on Interstate Commerce (vol. 74, p. 793).

S. Res. 36 (71st Cong.), by Mr. Dill. Title: "To provide for the equipment of the Senate Chamber for broadcasting the proceedings of the Senate." Referred to Committee to Audit and Control the Contingent Expenses of the Senate (vol. 71, p. 343).

S. Res. 38 (71st Cong.), by Mr. Dill. Title: "Requesting the Federal Radio Commission to hold hearings on the Radio Corporation's application for wave lengths." Referred to Committee on Interstate Commerce (vol. 71, p. 343).

S. Res. 80 (71st Cong.), by Mr. Couzens. Title: "To investigate certain matter relating to power and communications in interstate and foreign commerce." Referred to Committee on Interstate Commerce (vol. 71, p. 2161). Subsequent history: Reported back with an amendment; referred to the Committee to Audit and Control the Contingent Expenses of the Senate, page 2312; reported back, considered, amended, and agreed to, page 2575.

S. Res. 166 (71st Cong.), by Mr. Sackett. Title: "Requesting certain information from the Federal Radio Commission, concerning radiobroadcasting in the several radio zones." Considered, amended, and agreed to (vol. 71, pp. 5923, 5926).

S. Res. 488 (71st Cong.), by Mr. Couzens. Title: "Continuing Senate Resolution No. 80, to investigate certain matters relating to power and communications in interstate and foreign commerce." Referred to Committee to Audit and Control the Contingent Expenses of the Senate (vol. 74, p. 6596).

H. R. 1911 (71st Cong.), by Mr. Darrow. Title: "To amend the radio act of 1927." Referred to Committee on the Merchant Marine and Fisheries (vol. 71, p. 503).

H. R. 4499 (71st Cong.), by Mr. French. Title: "To prohibit the announcement, conduct, and advertising of lotteries by means of radio communication." Referred to Committee on the Merchant Marine and Fisheries (vol. 71, p. 4187).

H. R. 5637 (71st Cong.), by Mr. White. Title: "Continuing the powers and authority of the Federal Radio Commission under the radio act of 1927, as amended." Referred to Committee on the Merchant Marine and Fisheries (vol. 72, p. 10). Subsequent history: Reported back (H. Rept. 35), page 634; passed House, page 741; proceedings vacated and laid on the table, page 823; S. 2276 passed in lieu.

H. R. 5716 (71st Cong.), by Mr. Celler. Title: "To provide for the regulation of the transmission of intelligence by wire or wireless." Referred to Committee on the Merchant Marine and Fisheries (vol. 72, p. 12).

H. R. 9483 (71st Cong.), by Mr. Elliott. Title: "To amend the act of February 21, 1929, entitled 'An act to authorize the purchase by the Secretary of Commerce of a site and the construction of a building thereon for use as a constant-frequency monitoring radio station, and for other purposes.'" Referred to Committee on Public Buildings and Grounds (vol. 72, p. 3061). Subsequent history: Reported back (H. Rept. 772), page 4337; supplemental report filed (H. Rept. 772), page 4827; passed House, page 6630; then indefinitely postponed and S. 3448 passed in lieu, page 6720.

H. R. 10473 (71st Cong.), by Mr. White. Title: "To amend the radio act of 1927, approved February 23, 1927, and for other purposes." Referred to Committee on the Merchant Marine and Fisheries (vol. 72, p. 4757).

H. R. 10652 (71st Cong.), by Mr. Elliott. Title: "To authorize the Secretary of Commerce to purchase land and to construct buildings and facilities suitable for radio-research investigations." Referred to Committee on Public Buildings and Grounds (vol. 72), page 5141. Subsequent history: Reported back (H. Rept. 934), page 5660; debated, pages 6978, 7356; passed House, page 7357; referred to Senate Committee on Commerce, page 7395; reference changed to Committee on Public Buildings and Grounds, page 7792; reported back (S. Rept. 1598) (vol. 74) page 4661; passed Senate, page 5196; examined and signed, pages 5341, 5389; presented to the President, page 5577; approved (Public, No. 700), page 5750.

H. R. 10967 (71st Cong.), by Mr. Henry T. Rainey. Title: "To amend section 13 of the radio act of 1927, approved February 23, 1927." Referred to Committee on the Merchant Marine and Fisheries (vol. 72, p. 5782).

H. R. 11635 (71st Cong.), by Mr. White. Title: "To amend the radio act of 1927, approved February 23, 1927, and for other purposes." Referred to Committee on the Merchant Marine and Fisheries (vol. 72, p. 7051). Subsequent history: Reported back (H. Rept. 1179), page 7099; debated, page 8049; amended and passed House, page 8055; referred to Senate Committee on Interstate Commerce, page 8086; reported back with amendments (S. Rept. 1578) (vol. 74), page 4561; amended, and passed Senate, page 5206; Senate insists on its amendments and asks conference, page 5210; conferees appointed, page 5256.

H. R. 12599 (71st Cong.), by Mr. Lehlbach. Title: "To amend section 16 of the radio act of 1927." Referred to Committee on the Merchant Marine and Fisheries (vol. 72, p. 9521). Subsequent history: Reported back (H. Rept. 1665), page 9694; debated, amended and passed House, page 11529; referred to Senate Committee on Interstate Commerce, page 11553; reported back (S. Rept. 1105), page 11749; passed Senate, page 11881; examined and signed, pages 11596, 11598; presented to the President, page 12019; approved (Public, No. 494), page 12510.

H. R. 12903 (71st Cong.), by Mr. Britten. Title: "To provide for the removal of the Otto Cliff's radio station." Referred to Committee on Naval Affairs (vol. 72, p. 10539).

H. R. 12948 (71st Cong.), by Mr. Sirovich. Title: "Transferring the function of the Federal Radio Commission to the radio division of the Department of Commerce." Referred to Committee on the Merchant Marine and Fisheries (vol. 72, p. 10690).

H. R. 14074 (71st Cong.), by Mr. Denison. Title: "To regulate radio equipment on ocean-going vessels using the ports of the Canal Zone." Referred to Committee on Interstate and Foreign Commerce. Subsequent history: See House Report No. 2819.

H. R. 15606 (71st Cong.), by Mr. White. Title: "Authorizing the purchase of land and construction of a buildings for a radio station, near Grand Island, Nebr. Referred to Committee on the Merchant Marine and Fisheries (vol. 74, p. 1437).

H. R. 16474 (71st Cong.), by Mr. White. Title: "To amend section 2 of the radio act of 1927." Referred to Committee on the Merchant Marine and Fisheries (vol. 74, p. 2913).

H. R. 16475 (71st Cong.), by Mr. White. Title: "To amend section 4 of the radio act of 1927." Referred to the Committee on the Merchant Marine and Fisheries (vol. 74, p. 2923).

H. R. 16476 (71st Cong.), by Mr. White. Title: "To amend section 9 of the radio act of 1927." Referred to Committee on the Merchant Marine and Fisheries (vol. 74, p. 2923).

H. R. 16477 (71st Cong.), by Mr. White. Title: "To amend section 14 of the radio act of 1927." Referred to Committee on the Merchant Marine and Fisheries (vol. 74, p. 2923).

H. R. 17294 (71st Cong.), by Mr. Sirovich. Title: "To amend sections 2 and 9 of the radio act of 1927." Referred to Committee on the Merchant Marine and Fisheries (vol. 74, p. 6212).

H. J. Res. 102 (71st Cong.), by Mr. Wood. Title: "Making an appropriation for expenses of participation by the United States in the meeting of the international technical consulting committee on radio communications to be held at The Hague in September, 1929." Referred to Committee on Appropriations (vol. 71, p. 2629). Subsequent history: Passed House, page 2677; referred to Senate Committee on Appropriations, page 2718; reported with amendment (S. Rept. 32), page 2758; passed Senate, amended, page 2940; House concurs in Senate amendment, with amendment, page 3218; Senate agrees to the amendment of the House to the amendment of the Senate, page 3091; examined and signed, pages 3130, 3286; presented to the President, page 3286; approved (Pub. Res. No. 17), page 4006.

H. J. Res. 217 (71st Cong.). "Making an additional appropriation for the support of the Federal Radio Commission during the fiscal year 1930, in accordance with the act approved December 18, 1929." Referred to Committee on Appropriations (vol. 71), p. 1843). Subsequent history: Reported from Committee on Appropriations (H. Rept. 549), page 2581; passed House, page 2649; referred to Senate Committee on Appropriations and passed Senate, page 2662; examined and signed, pages 2739, 2808; presented to the President, page 2808; approved (Pub. Res. No. 35), page 3027.

H. J. Res. 334 (71st Cong.), by Mr. Reid of Illinois. Title: "To amend the radio act of 1927 by providing for 3 Government broadcasting frequencies, 1 for the Department of Agriculture, 1 for the Department of the Interior, and 1 for the Department of Labor." Referred to Committee on the Merchant Marine and Fisheries (vol. 72, p. 8707). Subsequent history: Remarks, page 9184.

H. J. Res. 337 (71st Cong.), by Mr. Sirovich. Title: "Transferring the function of the Radio Division of the Department of Commerce to the Federal Radio Commission." Referred to Committee on the Merchant Marine and Fisheries (vol. 72, p. 9188).

H. Res. 310 (71st Cong.), by Mr. White. "Relative to broadcasting stations since February 23, 1927. Referred to Committee on the Merchant Marine and Fisheries (vol. 74, p. 163).

SEVENTY-SECOND CONGRESS, FIRST SESSION

S. 4 (72d Cong.), by Mr. Fess. Title: "To amend the radio act of 1927." Referred to Committee on Interstate Commerce (vol. 75, p. 188).

S. 481 (72d Cong.), by Mr. White. Title: "To amend the radio act of 1927, approved February 23, 1927, and for other purposes." Referred to Committee on Interstate Commerce (vol. 75, p. 195).

S. 1037 (72d Cong.), by Mr. Dill. Title: "To amend the radio act of 1927, approved February 23, 1927, and for other purposes." Referred to Committee on Interstate Commerce. Reported back (S. Rept. 23; vol. 75, p. 948). Debated and passed Senate, page 1194. Referred to House Committee on Merchant Marine and Fisheries, page 1467.

S. 2374 (72d Cong.), by Mr. George. Title: "To authorize and direct the Secretary of the Navy to convey by gift to the city of Savannah, Ga., the naval radio station, the buildings, and apparatus located upon lands owned by said city." Referred to Committee on Naval Affairs (vol. 75, p. 1070).

S. 3046 (72d Cong.), by Mr. Dill. Title: "To amend the radio act of 1927." Referred to Committee on Interstate Commerce (vol. 75, pp. 1997, 2020).

S. 3047 (72d Cong.), by Mr. Hatfield. Title: "Authorizing the Federal Radio Commission to assign to labor a cleared broadcasting channel." Referred to Committee on Interstate Commerce (vol. 75, p. 1997).

S. 3649 (72d Cong.), by Mr. Shipstead. Title: "To amend the radio act of 1927." Referred to Committee on Interstate Commerce (vol. 75, p. 3899). Text of bill and a brief in support of a proposed amendment to section 9 of the radio act of 1927 (p. 4056).

S. 4289 (72d Cong.), by Mr. Johnson. Title: "To amend the act of February 23, 1927 (U. S. C., title 47, sec. 85), and for other purposes." Referred to Committee on Commerce (vol. 75, p. 7251). Reported back (S. Rept. 567), page 8277. Passed Senate, page 8373. Referred to House Committee on Merchant Marine, Radio, and Fisheries, page 8699. Passed House (in lieu of H. R. 11155), page 10344. Examined and signed, pages 10491, 10498. Presented to the President, page 10499. Approved, page 10645.

S. Res. 28 (72d Cong.), by Mr. Howell. Title: "To appoint a select committee to investigate the practicability of broadcasting the proceedings of the Senate." Referred to the Committee on Rules (vol. 75, p. 216).

S. Res. 58 (72d Cong.), by Mr. Dill. Title: "Authorizing an investigation of the refinancing of Radio-Keith-Orpheum Corporation." Ordered to lie on the table (p. 277). Modified and referred to the Committee to Audit and Control the Contingent Expenses of the Senate (vol. 75, p. 506).

S. Res. 71 (72d Cong.), by Mr. Dill. Title: "To provide for the equipment of the Senate Chamber for broadcasting the proceedings of the Senate." Referred to Committee on Rules (vol. 75, p. 445).

S. Res. 129 (72d Cong.), by Mr. Couzens. Title: "Calling for a report from the Federal Radio Commission on the use of radio facilities for commercial advertising purposes." Ordered to lie on the table (vol. 75, p. 1412). Considered, amended, and agreed to; preamble agreed to (p. 1759).

S. Res. 146 (72d Cong.), by Mr. Blaine. Title: "Requesting a report on the present status of the case of the United States against the Radio Corporation of America and others." Ordered to lie over under the rule. Considered, modified, and agreed to (vol. 75, p. 2491).

S. Res. 163 (72d Cong.), by Mr. Dill. Title: "Requesting the Secretary of State to negotiate international radio agreements with the governments of other North American countries." Referred to the Committee on Interstate Commerce (vol. 75, p. 3401). (See also: "Remarks in Senate relative to agreement with Canada with respect to broadcasting," vol. 75, p. 9994).

H. R. 256 (72d Cong.), by Mr. Christopherson. Title: "To prohibit broadcasting by means of radio any information regarding any lottery, and for other purposes." Referred to Committee on the Judiciary (vol. 75, p. 94).

H. R. 410 (72d Cong.), by Mr. French. Title: "To prohibit the announcement, conduct, and advertising of lotteries by means of radio communications." Referred to Committee on Merchant Marine, Radio, and Fisheries (vol. 75, p. 98).

H. R. 7253 (72d Cong.), by Mr. Connery. Title: "Authorizing the Federal Radio Commission to assign to labor a cleared broadcasting channel." Referred to Committee on Merchant Marine, Radio, and Fisheries (vol. 75, p. 1555).

H. R. 7507 (72d Cong.), by Mr. Lea. Title: "To regulate radio equipment on ocean-going vessels using the ports of the Canal Zone." Referred to Committee on Interstate and Foreign Commerce (vol. 75, p. 1853). Subsequent history: Reported back (Rept. 519), page 4196; passed House, page 4210; referred to Senate Committee on Interoceanic Canals, page 5428; reported back (S. Rept. 943), 13938; passed Senate, page 14346; examined and signed, pages 14445, 14496; presented to the President, page 14516; approved (Public, No. 254), page 14876.

H. R. 7716 (72d Cong.), by Mr. Davis. Title: "To amend the radio act of 1927, approved February 23, 1927, as amended (U. S. C., Supp. V, title 47, ch. 4), and for other purposes." Referred to Committee on Merchant Marine, Radio, and Fisheries (vol. 75, p. 1983). Remarks, page 11581; reported back (Rept. 221), page 2474; debated, pages 3680–3704; bill passed House, page 3705; referred to Senate Committee on Interstate Commerce, page 3735; reported with amendments (S. Rept. 564), page 8179; recommitted to the Committee on Interstate Commerce, page 10049.

H. R. 8759 (72d Cong.), by Mr. Amlie. Title: "To prohibit commercial advertising by means of radio on Sunday." Referred to Committee on Merchant Marine, Radio, and Fisheries (vol. 75, p. 3294).

H. R. 10798 (72d Cong.), by Mr. Sirovich. Title: "For the safety of lives and the preservation of property at sea." Referred to Committee on Merchant Marine, Radio, and Fisheries (vol. 75, p. 6821).

H. R. 11155 (72d Cong.), by Mr. Davis. Title: "To amend the radio act of February 23, 1927, as amended (U. S. C., Supp. V, title 47, sec. 85), and for other purposes." Referred to Committee on Merchant Marine, Radio, and Fisheries (vol. 75, p. 7640). Subsequent history: Reported back (Rept. 1116), page 8817; debated, page 9408; laid on table (S. 4289 passed in lieu), page 10344.

H. R. 11247 (72d Cong.), by Mr. Rayburn. Title: "To amend the act to regulate commerce, approved February 4, 1887, as amended (U S. C., title 49, ch. 1)." Referred to Committee on Interstate and Foreign Commerce (vol. 75, p. 7860).

H. R. 11335 (72d Cong.), by Mr. Sirovich. Title: "For the safety of lives and the preservation of property at sea." Referred to Committee on Merchant Marine, Radio, and Fisheries (vol. 75, p. 8171).

H. R. 12844 (72d Cong.), by Mr. LaGuardia. Title: "To regulate and establish reasonable license fees for patented radio equipment." Referred to Committee on Patents (vol. 75, p. 14222).

H. R. 12845 (72d Cong.), by Mr. LaGuardia. Title: "To regulate and establish reasonable fees for radio advertisements." Referred to Committee on Merchant Marine, Radio, and Fisheries (vol. 75, p. 14222).

H. R. 12958 (72d Cong.), by Mr. Rankin. Title: "To authorize additional broadcasting facilities for certain States whose facilities are below their established quota under the radio act 1927, as amended." Referred to Committee on Merchant Marine, Radio, and Fisheries (vol. 75, p. 15298).

H. Res. 110 (72d Cong.), by Mr. Amlie. Title: "Directing the Radio Commission to take action to protect free speech." Referred to Committee on Merchant Marine, Radio, and Fisheries (vol. 75, p. 2205).

HOUSE BILL REFERRED

The bill (H. R. 12977) to amend section 808 of Title VIII of the revenue act of 1926, as amended by section 443 of the revenue act of 1928, was read twice by its title and referred to the Committee on Finance.

FINAL ADJOURNMENT

Mr. WATSON. Mr. President, from the Committee on Appropriations, at the request of the Senator from Washington [Mr. JONES], I report back favorably the concurrent resolution (S. Con. Res. 35) providing for final adjournment, and I ask unanimous consent for its immediate consideration.

The PRESIDENT pro tempore. Let the concurrent resolution be read for the information of the Senate.

The concurrent resolution (S. Con. Res. 35) was read, as follows:

Resolved by the Senate (the House of Representatives concurring), That the two Houses of Congress shall adjourn on Saturday, the 16th day of July, 1932, and that when they adjourn on said day they stand adjourned sine die.

The PRESIDENT pro tempore. Is there objection to the present consideration of the resolution? The Chair hears none. The question is on agreeing to the concurrent resolution.

Mr. BROOKHART. I call for the yeas and nays.

The PRESIDENT pro tempore. Is the demand for the yeas and nays seconded?

The yeas and nays were not ordered.

The PRESIDENT pro tempore. The question is on the adoption of the concurrent resolution.

The concurrent resolution was adopted.

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Haltigan, one of its clerks, announced that the House had agreed to the amendments of the Senate to the bill (H. R. 12768) to authorize the closing of a portion of Virginia Avenue SE., in the District of Columbia, and for other purposes.

The message also announced that the House had agreed to the concurrent resolution (S. Con. Res. 35) relative to the adjournment of Congress on Saturday, July 16, 1932.

The message further announced that the Speaker pro tempore had affixed his signature to the following enrolled bills, and they were signed by the President pro tempore:

H. R. 10372. An act to authorize the Director of Public Buildings and Public Parks to employ landscape architects, architects, engineers, artists, or other expert consultants; and

H. R. 12768. An act making an appropriation for the Federal Home Loan Bank Board for the fiscal year ending June 30, 1933.

ADJOURNMENT SINE DIE

Mr. McNARY. Mr. President, I move that, in accordance with the terms of the Concurrent Resolution No. 35, the Senate adjourn sine die.

The motion was agreed to; and the Senate (at 11 o'clock and 7 minutes p. m.) adjourned sine die.

NOMINATION

Executive nomination received by the Senate July 16 (legislative day of July 11), 1932

SECRETARY IN THE DIPLOMATIC SERVICE

Harold Shantz, of New York, now a Foreign Service officer of class 5 and a consul, to be also a secretary in the Diplomatic Service of the United States of America.

HOUSE OF REPRESENTATIVES

SATURDAY, JULY 16, 1932

The House met at 10 o'clock a. m.

Rev. H. W. Burgan, pastor of the Hamline Methodist Episcopal Church, offered the following prayer:

Almighty God, Lord of Nations and Father of our Souls, let Thy kingdom of peace come within our own hearts. We pray that Thou wilt stay restlessness; give unto us wisdom to do Thy will. We pray that we shall have a passion for that rugged righteousness which exalts nations. Give us a love for Thee so true that it will carry with it a love for our fellows. Bless our native land and bless all lands. We ask for Christ's sake. Amen.

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

RESIGNATION OF FREDERICK W. DALLINGER

The SPEAKER. The Chair lays before the House the following communication.

The Clerk read as follows:

Hon. JOHN N. GARNER,
Speaker of the House of Representatives,
Washington, D. C.

DEAR MR. SPEAKER: I beg leave to inform you that I have this day transmitted to the Governor of Massachusetts my resignation as a Representative in Congress from the eighth district of Massachusetts, said resignation to take effect on October 1, 1932.

Respectfully yours,

FREDERICK W. DALLINGER.

ESTATE OF ANNIE LEE EDGECUMBE, DECEASED

Mr. BLACK. Mr. Speaker, I present a conference report on the bill (S. 2437) for the relief of the estate of Annie Lee Edgecumbe, deceased, and ask unanimous consent for its immediate consideration and the reading of the statement in lieu of the report.

Mr. STAFFORD. Mr. Speaker, reserving the right to object, let us hear what the conference report is.

Mr. SNELL. Mr. Speaker, may I propound this inquiry? If this is a conference report, why does the gentleman have to have unanimous consent for its consideration?

Mr. STAFFORD. Because no adjournment resolution has been passed, and the conference report has not been printed in the RECORD as required by the rules.

The SPEAKER. Let the Chair say that ordinarily, under the rules, in the closing days of a session reports of this kind are privileged during the last six days of the session. No one knows when the last six days of the session will come, and for this reason we have to do everything by unanimous consent. The report would be privileged otherwise. The Clerk will read the statement.

The Clerk read the statement.

The conference report and statement are as follows:

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 2437) entitled "An act for the relief of the estate of Annie Lee Edgecumbe, deceased," having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its amendment numbered 1.

That the Senate recede from its disagreement to the amendment of the House numbered 2, and agree to the same.

LORING M. BLACK, JR.,
J. BAYARD CLARK,
U. S. GUYER,
Managers on the part of the House.
R. B. HOWELL,
ARTHUR CAPPER,
Managers on the part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the House to S. 2437, an act for the relief of the estate of Annie Lee Edgecumbe, deceased, submit the following statement in explanation of the effect of the action agreed upon and recommended in the accompanying conference report as to each amendment, namely:

On amendment No. 1, substitute the sum "$5,000" as an amendment to the amendment of the House to "$3,000."

As amendment No. 2, at the end of the bill add 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."

LORING M. BLACK, JR.
J. BAYARD CLARK.

The SPEAKER. Is there objection?

There was no objection.

The conference report was agreed to.

SOPHIA A. BEERS

Mr. BLACK. Mr. Speaker, I present a conference report on the bill (S. 811) for the relief of Sophia A. Beers, and ask unanimous consent for its present consideration and the reading of the statement in lieu of the conference report.

The Clerk read the statement.

The conference report and statement are as follows:

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 811) entitled "An act for the relief of Sophia A. Beers," having met, after full and free conference have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendment of the House numbered 2, and agree to the same.

Amendment numbered 1: That the Senate recede from its disagreement to the amendment of the House numbered 1, and agree to the same with an amendment as follows:

In lieu of the sum named in said amendment insert "$4,000"; and the House agree to the same.

LORING M. BLACK,
J. BAYARD CLARK,
U. S. GUYER,
Managers on the part of the House.
R. B. HOWELL,
FREDERICK STEIWER,
Managers on the part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the House to S. 811, an act for the relief of Sophia A. Beers, submit the following statement in explanation of the effect of the action agreed upon and recommended in the accompanying conference report as to each amendment, namely:

On amendment No. 1: Substitute the sum of "$4,000" as an amendment to the amendment of the House to "$2,000" from the original amount of "$5,100" stipulated in the bill and passed by the Senate.

As amendment No. 2: At the end of the bill add 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."

LORING M. BLACK, JR.
J. BAYARD CLARK.

Mr. STAFFORD. Mr. Speaker, will the gentleman explain in a word just what was agreed to in conference?

Mr. BLACK. This is a bill for the relief of Sophia A. Beers, widow of a man who left some machinery with the Navy Department and put in a claim for something over $5,100, which was agreed to by the Navy Department. The House cut the amount of the claim, when we were proceeding under unanimous consent, and, of course, we readily agreed to the reduction at that time so that the bill could pass. The Senate brought the claim back to the original amount, and in conference we compromised at $4,000.

The SPEAKER. Is there objection?

There was no objection?

The conference report was agreed to.

A motion to reconsider was laid on the table.

DEATH OF THE FORMER PRESIDENT OF THE FRENCH REPUBLIC

The SPEAKER. The Chair lays before the House the following communications:

DEPARTMENT OF STATE,
Washington, July 15, 1932.

The Hon. JOHN N. GARNER,
Speaker of the House of Representatives.

SIR: I have the honor to refer to a resolution of the House of Representatives expressing sympathy with the people of the French Republic on the occasion of the death of President Doumer, the text of which, received from the White House, was, by direction of the President, transmitted through the American Embassy at Paris to the Government of France.

The Department of State is now in receipt of a dispatch from the embassy at Paris informing it of the delivery of the resolution adopted by the House of Representatives and of its receipt of a note from the French Ministry of Foreign Affairs requesting the embassy to convey to the House of Representatives the grateful thanks of the French Chamber of Deputies for the deeply appreciated mark of sympathy by which it was good enough to associate itself in the loss sustained by the people of France. In compliance with the desire of the French Chamber of Deputies there is inclosed a copy, with translation, of the note received by the American Embassy at Paris from the French Foreign Office.

Very truly yours,

H. E. STIMSON.

[Translation]

FRENCH REPUBLIC,
MINISTRY FOR FOREIGN AFFAIRS, PROTOCOL DIVISION,
June 18, 1932.

Mr. CHARGÉ D'AFFAIRES: You were good enough to send me the original of the resolution adopted by the House of Representatives of the United States on the occasion of the attack of which President Paul Doumer was a victim.

Pursuant to the desire expressed by M. Fernand Bouisson, I would be grateful if you would be good enough to convey to this assembly the grateful thanks of the French Chamber of Deputies for the valued and esteemed mark of sympathy by which it was good enough to associate itself in our loss.

Please accept, Mr. Chargé d'Affaires, the assurances of my high consideration.

For the minister and by authorization:

(Signed) P. DE FOUQUIERES.

Mr. NORMAN ARMOUR,
Chargé d'Affaires of the United States of America at Paris.

MAKING AVAILABLE TO THE BANKING AND CURRENCY COMMITTEE OF THE SENATE CERTAIN INFORMATION IN THE TREASURY DEPARTMENT AND BUREAU OF INTERNAL REVENUE

Mr. RAINEY. Mr. Speaker, I ask unanimous consent for the present consideration of Senate Joint Resolution 206, making available to the Banking and Currency Committee of the Senate certain information in the possession of the Treasury Department and the Bureau of Internal Revenue.

Mr. SNELL. Mr. Speaker, I have examined the joint resolution and I have no objection.

The SPEAKER. Is there objection?

There was no objection.

The Clerk read the Senate joint resolution, as follows:

Senate Joint Resolution 206

Resolved, etc., That the Secretary of the Treasury is authorized and directed to make available and to furnish to the Committee on Banking and Currency of the Senate such information in the possession of the Treasury Department and the Bureau of Internal Revenue with respect to income-tax returns as may be called for and deemed necessary by such committee, or any duly authorized subcommittee thereof, or their duly authorized agents, pursuant to the investigation being conducted under Senate Resolution 84 as continued by Senate Resolution 239.

SEC. 2. For the purposes of this joint resolution such Committee on Banking and Currency shall have all the rights and privileges of a select committee of the Senate within the meaning of section 257 (b) (1) of the revenue act of 1926.

The Senate joint resolution 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.

RELIEVING UNEMPLOYMENT

The SPEAKER. The other day the Senate Joint Resolution 169 was recommitted to the Committee on Labor, and the gentleman from Texas, Mr. JOHNSON, moved to reconsider that vote. The Chair will recognize the gentleman from Texas.

Mr. RANKIN. Mr. Speaker, I make the point that no quorum is present.

The SPEAKER. The gentleman from Mississippi makes the point that no quorum is present. The Chair will count. Evidently there is no quorum present.

Mr. RAINEY. Mr. Speaker, I move a call of the House.

The motion was agreed to.

The doors were closed, the Sergeant at Arms directed to notify absentees, the Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 124]

Abernethy	Dickstein	Igoe	Pratt, Harcourt J.
Aldrich	Disney	Jeffers	Ragon
Allen	Dominick	Johnson, Ill.	Rayburn
Andrew, Mass.	Douglas, Ariz.	Johnson, S. Dak.	Reid, Ill.
Arentz	Drane	Johnson, Wash.	Rogers, N. H.
Auf de Heide	Eilzey	Kading	Romjue
Baldrige	Englebright	Karch	Sabath
Bankhead	Evans, Mont.	Kennedy	Sanders, N. Y.
Beck	Fernandez	Ketcham	Sandlin
Beedy	Finley	Kleberg	Shannon
Blanton	Fish	Kunz	Simmons
Bohn	Flannagan	Lanham	Sirovich
Boland	Foss	Larrabee	Smith, W. Va.
Boylan	Frear	Larsen	Somers, N. Y.
Brand, Ga.	Free	Linthicum	Sparks
Britten	Freeman	Lovette	Steagall
Brumm	Fulbright	Luce	Stevenson
Buchanan	Fuller	McClintic, Okla.	Sullivan, N. Y.
Burdick	Fulmer	McFadden	Sullivan, Pa.
Burtness	Garber	McKeown	Swank
Busby	Gasque	McReynolds	Sweeney
Canfield	Gifford	Maloney	Tarver
Carter, Wyo.	Gilbert	Mansfield	Taylor, Tenn.
Cary	Gillen	Martin, Oreg.	Thatcher
Celler	Glover	Miller	Thomason
Chapman	Golder	Mitchell	Tucker
Chase	Goldsborough	Montague	Turpin
Chiperfield	Goodwin	Murphy	Underhill
Christopherson	Greenwood	Nelson, Me.	Vinson, Ga.
Clancy	Griffin	Nelson, Mo.	Weaver
Cole, Md.	Guyer	Nelson, Wis.	Weeks
Collier	Hall, Miss.	Norton, N. J.	Whitley
Corning	Hancock, N. C.	Oliver, Ala.	Williams, Tex.
Cox	Hastings	Oliver, N. Y.	Wingo
Crisp	Hill, Ala.	Palmisano	Woodrum
Crump	Hogg, Ind.	Parks	Wright
Davenport	Hopkins	Partridge	
Davis	Hull, Morton D.	Peavey	
Dickinson	Hull, William E.	Pettengill	

The SPEAKER. Two hundred and seventy-seven Members have answered to their names. A quorum is present.

Mr. JOHNSON of Texas. Mr. Speaker, I call up my motion to reconsider the vote whereby Senate Joint Resolution 169 was recommitted to the Committee on Labor.

Mr. ADKINS. Mr. Speaker, I move to lay that motion on the table.

The SPEAKER. The question is on the motion of the gentleman from Illinois.

The question was taken; and on a division (demanded by Mr. CONNERY), there were 147 ayes and 29 noes.

Mr. CONNERY. Mr. Speaker, I ask for the yeas and nays.

The SPEAKER. The gentleman from Massachusetts demands the yeas and nays. Eleven Members have arisen, not a sufficient number, and the yeas and nays are refused.

So the motion to lay the motion of Mr. JOHNSON of Texas on the table was agreed to.

ORDER OF BUSINESS

The SPEAKER. The Chair is going to recognize some gentlemen for unanimous consent—the gentleman from California, Mr. LEA; the gentleman from Tennessee, Mr. COOPER; and the gentleman from Illinois, Mr. CHINDBLOM.

Mr. SMITH of Idaho. Are those recognitions to be on private bills or public bills?

The SPEAKER. Public bills. The Chair has not recognized anybody unless it has been a House bill with amendments by the Senate.

BRIDGE ACROSS THE SOUTH FORK OF FORKED DEER RIVER, TENN.

Mr. COOPER of Tennessee. Mr. Speaker, I ask unanimous consent to take up S. 4976 on the Speaker's table, an act granting the consent of Congress to the Highway Department of the State of Tennessee to construct a bridge across the South Fork of Forked Deer River on the Milan-Brownsville Road, State Highway No. 76, near the Haywood-Crockett County line, Tennessee.

The SPEAKER. Is there objection?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the consent of Congress is hereby granted to the Highway Department of the State of Tennessee, its successors and assigns, to construct, maintain, and operate a highway bridge and approaches thereto across the South Fork, Forked

Deer River, at a point suitable to the interest of navigation, on the Milan-Brownsville Road, State Highway No. 76, near the Haywood-Crockett County line, Tennessee, in accordance with the provisions of the act entitled "An act to regulate the construction of bridges over navigable waters," approved March 23, 1906.

SEC. 2. That the right to alter, amend, or repeal this act is hereby expressly reserved.

The bill was ordered to be read a third time, was read the third time, and passed.

A motion to reconsider was laid on the table.

PROTECTION OF COPYRIGHT, ETC., OF FOREIGN EXHIBITORS AT WORLD'S FAIR, CHICAGO

Mr. CHINDBLOM. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (S. 4912) to protect the copyrights and patents of foreign exhibitors at A Century of Progress (Chicago World's Fair Centennial Celebration), to be held in Chicago, Ill., in 1933, and for its present consideration.

The Clerk read the title of the bill.

The SPEAKER. Before that request is put, the Parliamentarian has advised the Chair that up to this time the relief bill has not been messaged to the House of Representatives, nor has the conference report upon the home loan bank bill been brought in. Those are large bills, and it will take some time to enroll them. We want to get through, the Chair believes, in time to adjourn finally some time this afternoon. A number of gentlemen have been to the Chair to see about recognition to pass certain bills. It is going to be very difficult to get the two or three that might possibly pass enrolled and get them back here to be signed.

Mr. SCHAFER. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. SCHAFER. Before the unanimous-consent requests are put to the House, could we not have an understanding to have the entire bill read carefully by the reading clerk, so that the Members of the House will have an opportunity, if they have not studied the bill before, to see what they are granting unanimous consent for?

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

Mr. SCHAFER. Mr. Speaker, reserving the right to object, will some one indicate what is in this bill?

Mr. CHINDBLOM. Mr. Speaker, I ask unanimous consent to proceed for five minutes.

The SPEAKER. Is there objection?

There was no objection.

Mr. CHINDBLOM. Mr. Speaker, this bill is in the usual form of legislation of this kind, which has been passed before for international expositions held in the United States, as stated by the gentleman from Alabama [Mr. PATTERSON], who as acting chairman of the Committee on Patents has given this matter thorough consideration. I have here before me the law passed with reference to the Panama-Pacific International Exposition, which will be found in 38 United States Statutes at Large for the Fifty-third Congress at page 112. This is emergency legislation for the following reasons: Until it became definitely settled that our own Government was to take part in this exposition for its own purposes, foreign countries naturally did not take very large interest in the matter of being represented at the fair. They are now showing that interest through representatives in this country. This bill merely provides that foreign exhibitors shall be protected in their copyrights and patents during the period of the fair and for six months thereafter. All rights under the bill will terminate six months after the close of the fair, and all of these rights are without prejudice to any right that any American may have.

Mr. SCHAFER. Then this bill is in the substantial form of a similar bill which was passed with reference to the exposition that was held in Philadelphia?

Mr. CHINDBLOM. I think both in Philadelphia and San Francisco, but it is more like the one in San Francisco, because the legislation passed for the San Francisco fair was more complete.

Mr. SCHAFER. In view of the explanation I shall not object.

Mr. CHINDBLOM. The bill has the approval of the Commissioner of Patents and of the Register of Copyrights, and is in conformity with a treaty to which we ourselves are committed, approved by the Senate of the United States, on December 16, 1930, and promulgated by the President on March 6, 1931, of which the first paragraph of Article II reads as follows:

The contracting countries shall, in conformity with the legislation of each country, accord temporary protection to patentable inventions, to utility models, and to industrial designs or models, as well as to trade-marks in respect of products which shall be exhibited at official, or officially recognized, international exhibitions held in the territory of one of them.

This treaty is known as the International Convention of the Union for the Protection of Industrial Property and was formulated at The Hague on November 6, 1925.

Mr. STAFFORD. Mr. Speaker, will the gentleman yield?

Mr. CHINDBLOM. Yes.

Mr. STAFFORD. Then I assume that what is intended to be covered by this emergency relief measure is to grant a temporary patent.

Mr. CHINDBLOM. Exactly; the temporary protection of patents and copyrights.

Mr. STAFFORD. To the owner of some device who is exhibiting his invention at the Chicago World's Fair.

Mr. CHINDBLOM. Exactly.

Mr. STAFFORD. And only to grant him that protection and not grant him any rights as against American patentees after six months have expired.

Mr. CHINDBLOM. None whatever.

Mr. TREADWAY. Mr. Speaker, will the gentleman yield?

Mr. CHINDBLOM. Yes.

Mr. TREADWAY. Is there any permanent change in the patent or copyright law as a result of this possible legislation?

Mr. CHINDBLOM. None whatever.

Mr. TREADWAY. It simply applies to the fair to be held in Chicago?

Mr. CHINDBLOM. That is all.

Mr. TREADWAY. And expires at the proper time after the fair ends?

Mr. CHINDBLOM. That is correct. I shall add one more thing, Mr. Speaker.

This bill is unique in this respect, that it provides that whatever expense the Government of the United States shall have by reason of its provisions shall be repaid and reimbursed to the United States Government by the Chicago Exposition authorities; just exactly as in the first resolution passed by this House, inviting foreign countries to participate in this fair, it was provided that all expenses connected with tariff regulations shall be borne by the exposition company.

I yield to the gentleman from Alabama.

Mr. PATTERSON. The Committee on Patents gave very careful consideration to the bill after it passed the Senate and it was reported unanimously by that committee.

Mr. LAGUARDIA. Will the gentleman yield?

Mr. CHINDBLOM. I yield.

Mr. LAGUARDIA. Is this only applicable to the exhibition?

Mr. CHINDBLOM. That is all.

Mr. LAGUARDIA. I just this moment received the report. There is very strong opposition from the Commissioner of Patents, I notice.

Mr. CHINDBLOM. No. He said if it were not for the fact that this was only for temporary protection, and if it were not for the further fact that American owners of copyrights and patents are protected, it would be obnoxious.

Mr. SCHAFER. Will the gentleman yield?

Mr. CHINDBLOM. I yield.

Mr. SCHAFER. Just the mere statement made by the gentleman from Alabama, [Mr. PATTERSON] that this bill had the unanimous recommendation of the Committee on Patents is no recommendation when we take into consideration the action and recommendation of the Committee on Patents on the so-called Sirovich copyright bill.

Mr. CHINDBLOM. Mr. Speaker, I trust there will be no objection to the immediate consideration and passage of this bill.

The SPEAKER. Is there objection?

There was no objection.

The Clerk read the Senate bill as follows:

Be it enacted etc., That the Librarian of Congress and the Commissioner of Patents are hereby authorized and directed to establish branch offices under the direction of the Register of Copyrights and the Commissioner of Patents, respectively, in suitable quarters on the grounds of the exposition to be held at Chicago, Ill., under the direction of A Century of Progress, an Illinois corporation, said quarters to be furnished free of charge by said corporation, said offices to be established at such time as may, upon sixty days' advance notice, in writing, to the Register of Copyrights and the Commissioner of Patents, respectively, be requested by said A Century of Progress but not earlier than January 1, 1933, and to be maintained until the close to the general public of said exposition; and the proprietor of any foreign copyright, or any certificate of trade-mark registration, or letters patent of invention, design, or utility model issued by any foreign government protecting any trade-mark, apparatus, device, machine, process, method, composition of matter, design, or manufactured article imported for exhibition and exhibited at said exposition may upon presentation of proof of such proprietorship, satisfactory to the Register of Copyrights or the Commissioner of Patents, as the case may be, obtain without charge and without prior examination as to novelty, a certificate from such branch office, which shall be prima facie evidence in the Federal courts of such proprietorship, the novelty of the subject matter covered by any such certificate to be determined by a Federal court in case an action or suit is brought based thereon; and said branch offices shall keep registers of all such certificates issued by them, which shall be open to public inspection.

At the close of said A Century of Progress Exposition the register of certificates of the copyright registrations aforesaid shall be deposited in the Copyright Office in the Library of Congress at Washington, D. C., and the register of all other certificates of registration aforesaid shall be deposited in the United States Patent Office at Washington, D. C., and there preserved for future reference. Certified copies of any such certificates shall, upon request, be furnished by the Registrar of Copyrights or the Commissioner of Patents, as the case may be, either during or after said exposition, and at the rates charged by such officials for certified copies of other matter; and any such certified copies shall be admissible in evidence in lieu of the original certificates in any Federal court.

SEC. 2. That it shall be unlawful for any person without authority of the proprietor thereof to copy, republish, imitate, reproduce, or practice at any time during the period specified in section 6 hereof any subject matter protected by registration as aforesaid at either of the branch offices at said exposition which shall be imported for exhibition at said exposition, and there exhibited and which is substantially different in a copyright, trade-mark, or patent sense, as the case may be, from anything publicly used, described in a printed publication or otherwise known in the United States of America prior to such registration at either of said branch offices as aforesaid; and any person who shall infringe upon the rights thus protected under this act shall be liable—

(a) To an injunction restraining such infringement issued by any Federal court having jurisdiction of the defendant;

(b) To pay to the proprietor such damages as the proprietor may have suffered due to such infringement, as well as all the profits which the infringer may have made by reason of such infringement; and in proving profits the plaintiff shall be required to prove sales only, and the defendant shall be required to prove every element of cost which he claims or in lieu of actual damages and profits such damages as to the court shall appear to be just;

(c) To deliver upon an oath, to be impounded during the pendency of the act, upon such terms and conditions as the court may prescribe, all articles found by the court after a preliminary hearing to infringe the rights herein protected; and

(d) To deliver upon an oath, for destruction, all articles found by the court at final hearing to infringe the rights herein protected.

SEC. 3. That any person who willfully and for profit shall infringe any right protected under this act, or who shall knowingly and willfully aid or abet such infringement, shall be deemed guilty of a misdemeanor and upon conviction thereof shall be punished by imprisonment for not exceeding one year or by a fine of not less than $100 nor more than $1,000, or both, in the discretion of the court.

SEC. 4. That all the acts, regulations, and provisions which apply to protecting copyrights, trade-marks, designs, and patents for inventions or discoveries not inconsistent with the provisions of this act shall apply to certificates issued pursuant to this act, but no notice of copyright on the work shall be required for protection hereunder.

SEC. 5. That nothing in this act contained shall bar or prevent the proprietor of the subject matter covered by any certificate issued pursuant to this act from obtaining protection for such subject matter under the provisions of the copyright, trade-mark, or patent laws of the United States of America, as the case may be, in force prior hereto upon making application and complying with the provisions prescribed by such laws; and nothing in this act contained shall prevent, lessen, impeach, or avoid any remedy at law or in equity under any certificate of copyright registration, certificate of trade-mark registration, or letters patent for inventions or discoveries or designs issued under the copyright, trade-mark, or patent laws of the United States of America, as the case may be, in force prior hereto, which any owner thereof and of a certificate issued thereon pursuant to this act might have had if this act had not been passed; but such owner shall not twice recover the damages he has sustained or the profit made by reason of any infringement thereof.

SEC. 6. That the rights protected under the provisions of this act as to any copyright, trade-mark, apparatus, device, machine, process, method, composition of matter, design, or manufactured article imported for exhibition at said A Century of Progress Exposition shall begin on the date the same is placed on exhibition at said exposition and shall continue for a period of six months from the date of the closing to the general public of said exposition.

SEC. 7. All necessary expenses incurred by the United States in carrying out the provisions of this act shall be paid to the Treasury of the United States by A Century of Progress (the Chicago World's Fair Centennial Celebration) under regulations of the Librarian of Congress and of the Commissioner of Patents, respectively.

The bill was ordered to be read the third time, was read the third time, and passed.

A motion to reconsider was laid on the table.

FUTURE SESSIONS OF THE HOUSE

Mr. LAGUARDIA. Mr. Speaker, I ask unanimous consent to address the House for two minutes.

The SPEAKER pro tempore (Mr. TAYLOR of Colorado). Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. LAGUARDIA. Mr. Speaker, as was announced yesterday, some of the Members, feeling that the condition of the country is extremely critical, expect to resist a motion to adjourn Congress sine die. In the event we should prevail and defeat the motion to adjourn, I am now introducing the following concurrent resolution:

Resolved, That after September 15, 1932, the House shall meet only on Monday and Thursday of each week until November 21, 1932: *Provided*, That if in the discretion of the Speaker legislative expediency shall warrant it, he may designate a date prior to November 21, 1932, on which the business of the House shall be resumed, in which case he shall cause the Clerk of the House to issue notice to Members of the House not later than one week prior to the date set by him.

Mr. Speaker, there is precedent for such action. It occurs to me that under our form of government the legislative branch should not lose control in these critical times, and we can well leave it to the Speaker of this House, under a concurrent resolution, to convene Congress in case the condition of the country should warrant it.

I am now introducing this resolution. [Applause.]

SALE OF REVENUE STAMPS

Mr. LEA. Mr. Speaker, I ask unanimous consent that the Committee on Ways and Means be discharged from the further consideration of the bill (H. R. 12977) to amend section 808 of Title VIII of the revenue act of 1926, as amended by section 443 of the revenue act of 1928, and I ask unanimous consent for its present consideration.

The Clerk read the bill, as follows:

Be it enacted, etc., That section 808 of Title VIII of the revenue act of 1926, as amended by section 443 of the revenue act of 1928, be, and the same is hereby, amended by striking out the words "in cities of over 25,000 inhabitants."

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

Mr. STAFFORD. Mr. Speaker, reserving the right to object, I understand the gentleman's request is to discharge the Committee on Ways and Means from further consideration at this time, in view of the fact that this bill has not been reported?

Mr. LEA. Yes.

Mr. SNELL. Reserving the right to object, as I understand, this is a request by the department and is for the convenience of the people?

Mr. LEA. It is. I am submitting the language written by the department.

Mr. STAFFORD. Will the gentleman just explain it briefly?

The SPEAKER. The Chair understands the gentleman from California intends to offer an amendment?

Mr. LEA. Yes; Mr. Speaker, I do.

The SPEAKER. The Chair thinks the House should know what the proposed amendment is. Without objection, the Clerk will report the amendment.

There was no objection.

The Clerk read as follows:

At the end of line 6, add the following: "and inserting in lieu thereof the following: 'In all post offices of the first and second classes and such post offices of the third and fourth classes as are located in county seats.'"

Mr. STAFFORD. Mr. Speaker, so that the membership of the House will know the real purport of this proposal, because I know every Member is interested in this legislation which is for the convenience of their constituents, I wish the gentleman from California would make a brief explanation.

The SPEAKER. Without objection, the gentleman from California may proceed for five minutes to explain the bill.

There was no objection.

Mr. LEA. Mr. Speaker, the revenue act of 1928 permitted the sale of revenue stamps, but confined the sale to cities having a population of over 25,000. Since the new revenue act has gone into effect, providing for the use of adhesive stamps in conveyances of real estate and other instruments, the department finds it is very much handicapped by the lack of any convenient system for the distribution of those stamps. There are over 2,000 counties in the United States that have no cities of 25,000 population; and there are 6 or 8 States that have no such cities. So after taking this up with the Treasury Department and the Post Office Department I secured an agreement on the language I am submitting in this bill and the amendment I will propose.

It simply provides that revenue stamps may be offered for sale by the postmasters in all first and second class offices and in third and fourth class offices where they are located in county seats. In other words, these stamps will be on sale in first and second class offices and in every county seat if this act is passed; otherwise they will not be available in the post offices except where the offices are located in places with over 25,000 population.

Mr. RAMSEYER. Will the gentleman yield?

Mr. LEA. I yield.

Mr. RAMSEYER. Has this bill passed the Senate?

Mr. LEA. No; it has not.

Mr. RAMSEYER. It is the hope of the gentleman to have the bill passed here and get it to the Senate in time to have it approved there?

Mr. LEA. It is.

Mr. RAMSEYER. I am heartily in favor of the bill. It was just an oversight of the Ways and Means Committee that there was not something like this in the original bill.

Mr. STAFFORD. The explanation of the gentleman shows it will be for the convenience of the people of the entire country in view of the stamp tax on conveyances.

Mr. McCORMACK. Will the gentleman yield?

Mr. LEA. I yield.

Mr. McCORMACK. I hope the gentleman's resolution will pass the Senate, and I also hope that House Joint Resolution 439, which passed the House several weeks ago and which provided for the refund to States, cities, and towns of any tax which they have to pay on articles purchased, and which are taxed by the revenue act of 1932, will also pass, because that protects the taxpayers of our local governments.

Both resolutions should pass, and I hope the Senators who have been preventing the passage of these resolutions will see the wisdom and advisability of passing them both and will withdraw their objections. I want to congratulate my friend from California [Mr. LEA] on his ability to have this resolution favorably acted upon by the Ways and Means Committee and to have the House act favorably within a 24-hour period, and particularly in the closing hours of this session. The failure of this resolution and of House Joint Resolution 439 to pass will not lie with the House.

Mr. PARSONS. Will the gentleman yield right in that connection?

Mr. LEA. I yield.

Mr. PARSONS. The gentleman also will be glad to see the resolution passed to repeal the tax on bank checks?

Mr. McCORMACK. I opposed such a tax, but we are discussing perfecting legislation at this time.

Mr. KELLY of Pennsylvania. As the gentleman knows, the compensation of postmasters at first, second, and third class post offices is based on the sale of stamps. What will be the situation in regard to the sale of these revenue stamps by postmasters?

Mr. LEA. I may say to the gentleman that as I understand the matter they will receive no additional compensation under existing law for selling these stamps.

Mr. KELLY of Pennsylvania. So it would have no effect on the receipts of the office?

Mr. LEA. Not so far as salaries of postmasters are concerned.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California [Mr. LEA]?

There was no objection.

The amendment was agreed to.

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.

ORDER OF BUSINESS

Mr. BLACK. Mr. Speaker, I ask unanimous consent that the House consider Senate private bills on the Speaker's desk where there are similar House bills on the calendar.

Mr. STAFFORD. Mr. Speaker, reserving the right to object, I do not think it is fair to those Members who have had House bills reported but have not the entrée to the Senate to get a similar private bill through the Senate, to grant preferential consideration to such Senate bills. I therefore object.

Mr. BLACK. Mr. Speaker, I ask unanimous consent to consider bills on the Private Calendar, unobjected to, at the point where we last left off, under the old rule.

Mr. STAFFORD. Mr. Speaker, reserving the right to object, we convened this morning at 10 o'clock expecting that we would adjourn during the day. It is quarter after 11. I do not think it is the desire that we take up the Private Calendar and continue with its consideration. I object to the request of the gentleman from New York.

Mr. RAINEY. Mr. Speaker, I ask unanimous consent that the House stand in recess subject to the call of the Speaker.

Mr. SCHAFER. Mr. Speaker, I object.

Mr. RAINEY. Mr. Speaker, I move that the House stand in recess subject to the call of the Speaker.

Mr. LAGUARDIA. Will the gentleman yield?

Mr. RAINEY. I yield.

Mr. LAGUARDIA. The gentleman knows that the Senate and House have passed a bill which the President has signed, which provides for the delivery of 45,000,000 bushels of wheat and 500,000 bales of cotton to the Red Cross for distribution to the needy. This bill is now the law and we have already acted upon it. An appropriation is necessary in order to remove the liens on these commodities. The House promptly passed the appropriating resolution.

Has the gentleman any information whether this bill will become law at this session? Its passage means life to hundreds of thousands of families.

Mr. RAINEY. I have no information about it other than what the gentleman has just stated here on the floor. I hope the bill will go through.

Mr. RANKIN. Will the gentleman yield?

Mr. RAINEY. I yield.

Mr. RANKIN. What information has the gentleman from Illinois as to what the Senate has done on our veterans' loan bill?

Mr. RAINEY. I have no information, but as soon as they do something about it which requires any further action

here, which is doubtful, the Speaker will call the House together. I understand it has been held up there by the Senator from Utah. I hope he will abandon his position.

Mr. TAYLOR of Colorado. What bill is that?

Mr. RAINEY. The Bacharach bill.

Mr. RANKIN. May I ask the gentleman this question: In case the Senate does hold that bill up, would it be in order to call up the Senate bill and pass it? The Senate bill has been passed by the Senate and is now on the Speaker's table.

Mr. RAINEY. That is a parliamentary inquiry which ought to be addressed to the Speaker.

Mr. RANKIN. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. RANKIN. I am just informed by the majority leader that our veterans' loan bill is being held up at the other end of the Capitol, and I understand the bill passed by the Senate providing 3 per cent interest on these loans is now on the Speaker's table. I want to know if, under the present parliamentary situation, it would be in order to call up that bill and pass it in case the Senate did not pass the bill we sent over.

The SPEAKER. The gentleman, I presume, by his parliamentary inquiry, is asking the status of that bill.

Mr. RANKIN. The one on the Speaker's table.

The SPEAKER. The Chair does not know of any such bill on the Speaker's table. The Senate bill passed the House last night under suspension of the rules with a House amendment. What the Senate will do with that amendment is a question for the Senate to decide.

Mr. RANKIN. I understood, Mr. Speaker, that the bill we passed was the Bacharach bill reported from the Ways and Means Committee.

The SPEAKER. We passed the Senate bill with an amendment and sent it to the Senate.

Mr. RANKIN. In case the Senate refuses to concur in the amendment would it be in order to recall the bill, recede from our amendment, and adopt the Senate bill?

The SPEAKER. The House has no way of anticipating what the Senate is going to do. May the Chair suggest to the gentleman that if the Senate will not agree to its own bill with an amendment, the House bill would not have much chance to pass and become a law.

Mr. RANKIN. Well, it must become a law before we adjourn.

JOINT COMMITTEE TO INVESTIGATE THE LAWS AND REGULATIONS RELATING TO THE RELIEF OF VETERANS

The SPEAKER. The Chair lays before the House the following appointment.

The Clerk read as follows:

Pursuant to the provisions of section 701, Title VII, of Public Law 212, Seventy-second Congress, approved June 30, 1932, the Chair appoints as members of the Joint Committee to Investigate the Laws and Regulations Relating to the Relief of Veterans the following: Messrs. McDUFFIE, MILLIGAN, BOEHNE, TABER, and CHIPERFIELD.

RECESS

Mr. RAINEY. Mr. Speaker, I move that the House stand in recess subject to the call of the Speaker, the bells to be rung 10 minutes before the House is called together.

The SPEAKER. The gentleman from Illinois moves that the House stand in recess subject to the call of the Chair, with 10-minute notice by the bells.

The motion was agreed to.

Accordingly (at 11 o'clock and 20 minutes a. m.) the House stood in recess, to meet at the call of the Chair.

AFTER RECESS

The recess having expired, the House was called to order by the Speaker, at 1.17 o'clock p. m.

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. 207. Joint resolution to authorize graduation leave for cadets of the United States Military Academy.

The message also announced that the Senate agrees to the amendments of the House to the bill S. 4569, "An act relating to loans to veterans on their adjusted-service certificates."

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 12280) to create Federal home-loan banks, to provide for the supervision thereof, and for other purposes, and that the Senate still further insists upon its amendments numbered 46 and 47 to the said bill.

The message also announced that the Senate had passed, with amendments, in which the concurrence of the House is requested, a joint resolution of the House of the following title:

H. J. Res. 461. Joint resolution making appropriations to enable the Federal Farm Board to distribute Government-owned wheat and cotton to the American National Red Cross and other organizations for relief of distress.

SUSPENSION OF THE RULES

Mr. RAINEY. Mr. Speaker, I ask unanimous consent that it shall be in order to-day for the Speaker to recognize Members of the House to move to suspend the rules with reference to bills in which they are interested.

The SPEAKER. The gentleman from Illinois asks unanimous consent that this day be considered as suspension day. Is there objection?

There was no objection.

DISTRIBUTION OF WHEAT AND COTTON THROUGH THE AMERICAN RED CROSS

Mr. BYRNS. Mr. Speaker, I call up House Joint Resolution 461, making appropriations to enable the Federal Farm Board to distribute Government-owned wheat and cotton to the American National Red Cross and other organizations for relief of distress, with Senate amendments, and ask unanimous consent that the amendments be disagreed to and a conference asked with the Senate.

Mr. LaGUARDIA. Mr. Speaker, may we have the Senate amendments read?

The SPEAKER. The Clerk will read the Senate amendments.

The Clerk read as follows:

Senate amendments: Page 1, line 8, strike out all after the figures "1932" down to and including the word "are," in line 9, and insert "not to exceed $40,000,000 is."

Page 1, line 12, strike out the initial "(b)."

Page 1, line 12, after the word "resolution," insert *"Provided,* That the equity provided for under subdivision (b) of the public resolution approved July 5, 1932, shall not be paid for out of said appropriation, and any balance remaining after paying the amounts authorized to be paid under subdivisions (a) and (c) of said resolution shall not be used by the Federal Farm Board, but shall remain in the Treasury of the United States: *And provided further,* That the Federal Farm Board shall make a full and complete accounting of its acts and doings under this resolution and file the same with the Secretary of the Senate and the Clerk of the House of Representatives on or before December 8, 1932."

Mr. COCHRAN of Missouri. Mr. Speaker, reserving the right to object, I would like to ask the gentleman if it is not a fact that the Senate has limited the amount to $40,000,000 and further provided that no equity that the Farm Board may have in the wheat or in the cotton is to revert to the revolving fund.

Mr. BYRNS. That is the effect of the amendment.

Mr. SNELL. I think the gentleman should give us some definite understanding as to exactly what he proposes to do, and I prefer to have that done before unanimous consent is granted.

Mr. BYRNS. I may say to the gentleman that Congress, as the gentleman is aware, passed this bill providing for the turning over to the Red Cross of 500,000 bales of cotton and 45,000,000 bushels of wheat for the relief of those in distress. Under the terms of the act, which were discussed in the House and also in the Senate, it was provided that appropriations should be made for the purpose, first, of paying

off any liens that may exist upon the cotton and the wheat, which are owned by two stabilization corporations, and, second, to pay any equity that might exist and belong to the owner of the cotton and the wheat, and, third, to pay for the cost of handling, which I understand consists principally, if not altogether, of interest charges which may accrue after the passage of the act and up until the time of distribution.

The House passed a resolution making what might be called an indefinite appropriation, but actually limiting it to these three particular purposes which were set forth in the act. So it was not an indefinite appropriation in a strict sense.

The House committee endeavored to obtain information as to just how much money would be needed to comply with the authorizations in the act and enable the Farm Board to act, but they were wholly unable to supply the information, and the gentleman can readily understand why. They stated that under the terms of the act, when the wheat or cotton is turned over, it is to be turned over at the market price on the date of delivery, and, of course, the date of delivery will vary during the months to come. In other words, the President of the Farm Board said that if the Red Cross were able at that time to give him a statement as to where they wanted this wheat and this cotton delivered, and just what quality of wheat they wanted and just what kind of cotton they wanted, it would take him three months to make complete delivery, and therefore it was impossible for him to say how much money would be needed because he did not know what the price of wheat or the price of cotton might be on the future date.

Mr. SNELL. Then the indefiniteness was nothing for which the Farm Board was to blame?

Mr. BYRNS. Not at all.

The Senate amendment undertakes to limit the appropriation to $40,000,000. I do not know whether this will be sufficient to pay the liens or not, and I do not know what information the Senate has on the subject, but from our information and from a surmise that was made——

Mr. CELLER. I understand the cost will be $38,000,000.

Mr. BYRNS. The gentleman says $38,000,000, but from my information that would not be sufficient. However, the Senate has amended this resolution in direct contravention of the previous act passed by both bodies, providing an appropriation for the three purposes.

Mr. SNELL. Is there any reason why the House should change its position, in the opinion of the gentleman from Tennessee?

Mr. BYRNS. I know of none, and I will say this, and I think I am at liberty to say it. I had a call from the president of the Farm Board, who told me and two others who will be conferees, if this request is granted, that if these amendments of the Senate were adopted, he could not do the job.

Mr. SNELL. I am in hearty accord with the statement made by the gentleman from Tennessee, and I think we should adhere to it.

Mr. LAGUARDIA. What we want is to get action. We can not feed the people on conference reports, and we have had considerable trouble with the other body in getting this resolution through.

Mr. SNELL. We are having trouble with other bills, and we might as well stick to our position all day and find out.

Mr. LAGUARDIA. The gentleman will help us get something through?

Mr. SNELL. Certainly; I am in favor of it.

Mr. CELLER. We had a great deal of difficulty in getting the bill passed by the Senate. The Senator from Utah [Mr. KING] has been delaying final passage of this bill. That, of course, is his right. The Senator from Oklahoma [Mr. GORE] and the Senator from Tennessee [Mr. MCKELLAR], and several other Senators, have voiced considerable opposition to the bill. Not because of inherent or formidable opposition to the bill but rather because they seem to be opposed to the Farm Board have they expressed feelings against this relief measure. Their intense opposition to the Farm Board is carried over to this bill. That is unfortunate. For these gentlemen in the other Chamber I have genuine regard and respect, but I do hope they may see their way clear to facilitate final consideration of this measure. I ask forbearance of them and suggest compromise to our conferees. I venture the assertion that unless the gentleman goes into conference with some idea of conciliation we are going to get no legislation. In that event the poor and distressed, sorely in need of food and clothing, will suffer.

Mr. BYRNS. The gentleman from New York is making it more difficult by the statement that he is now making. I want to say that one of these amendments will necessarily have to be brought back to the House because it is a change in existing law. I do not understand that the House conferees, under the rules of the House, have a right to agree to it.

Mr. LAGUARDIA. The conferees appreciate the urgent need for this legislation?

Mr. BYRNS. Undoubtedly; and I am heartily in favor of it.

Mr. LAMNECK. Will the gentleman yield?

Mr. BYRNS. I yield.

Mr. LAMNECK. They tell me that the price of cotton is now 5 cents a pound. A bale weighs 500 pounds. This cotton could be bought for $12,500,000. The wheat you are talking about giving away is priced at 16 cents, and the loans against the wheat are two or three times as much as it can be bought for.

Mr. JONES. If the gentleman from Tennessee will yield, I want to say that that is inaccurate. The liens against the cotton are about $22 a bale and wheat 37 or 38 cents a bushel. But this would serve a double purpose of affording relief and of getting the Government out of the stabilization business.

Mr. STAFFORD. It was stated that the Stabilization Board purchased cotton for 12 cents, when it could be bought for 5 or 6 cents, virtually paying more than you could buy the cotton for.

Mr. JONES. You are not paying more than the Government is obligated to pay already. If we hold it, storage must be paid.

Mr. CLARKE of New York. The gentleman from Wisconsin is an expert on malt, but not on cotton. [Laughter.]

Mr. JONES. The gentleman does not think that the question of the original price of wheat or cotton is involved here.

Mr. STAFFORD. I was speaking of cotton alone.

Mr. JONES. Wheat and cotton are both in the same boat.

Mr. BYRNS. I want to say that under the terms of the law, the Government takes the cotton and the wheat at the market price on the date of delivery to the Red Cross. I think this argument and discussion are out of order at this time.

The Congress passed this law providing for these three appropriations. The amendments of the Senate changed the existing law. If the House wants to do that, the House conferees will have to bring it back unless the Senate yields, and then Members will have an opportunity to discuss these matters.

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

There was no objection.

The SPEAKER appointed the following conferees: Mr. BYRNS, Mr. TAYLOR of Colorado, Mr. AYRES, Mr. WOOD of Indiana, and Mr. WASON.

HOME LOAN BANK BILL

Mr. STEAGALL. Mr. Speaker, I present a conference report upon the bill (H. R. 12280) to create Federal home-loan banks, to provide for the supervision thereof, and for other purposes, for printing under the rule, and ask unanimous consent for the present consideration of the conference report.

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 12280) to create Federal home-loan banks, to provide for the supervision thereof, and for other purposes,

having met, after full and free conference have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 2, 3, 6, 7, 9, 11, 12, 13, 17, 18, 21, 24, 25, 27, 35, 38, 39, 40, and 42.

That the House recede from its disagreement to the amendments of the Senate numbered 1, 4, 5, 8, 14, 16, 19, 20, 26, 28, 29, 30, 31, 34, 36, 37, 43, and 44, and agree to the same.

Amendment numbered 10: That the House recede from its disagreement to the amendment of the Senate numbered 10, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert "insurance company, or"; and the Senate agree to the same.

Amendment numbered 15: That the House recede from its disagreement to the amendment of the Senate numbered 15, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert a comma and the following: "or, in case there is a lawful contract rate of interest applicable to such transactions, in excess of such rate (regardless of any exemption from usury laws), or, in case there is no legal rate of interest or lawful contract rate of interest applicable to such transactions, in excess of 8 per centum per annum" and a comma; and on page 6 of the House bill, at the end of line 5, insert the following: "This section applies only to home-mortgage loans made after the enactment of this act" and a period; and the Senate agree to the same.

Amendment numbered 22: That the House recede from its disagreement to the amendment of the Senate numbered 22, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following: ": *Provided*, That accumulated dividends, as provided in subsection (k), have been paid"; and the Senate agree to the same.

Amendment numbered 23: That the House recede from its disagreement to the amendment of the Senate numbered 23, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert "but in any case in which the rate of dividend is in excess of 2 per cent the stock subscribed for by the United States shall be entitled to dividends at a rate not in excess of that paid on other stock"; and the Senate agree to the same.

Amendment numbered 32: That the House recede from its disagreement to the amendment of the Senate numbered 32, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert "its advances" and a comma; and the Senate agree to the same.

Amendment numbered 33: That the House recede from its disagreement to the amendment of the Senate numbered 33, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following: "The notes, debentures, and bonds issued by any bank, with unearned coupons attached, shall be accepted at par by such bank in payment of or as a credit against the obligation of any home-owner debtor of such bank" and a period; and the Senate agree to the same.

Amendment numbered 41: That the House recede from its disagreement to the amendment of the Senate numbered 41, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert "$300,000"; and the Senate agree to the same.

Amendment numbered 45: That the House recede from its disagreement to the amendment of the Senate numbered 45, and agree to the same with an amendment as follows: In lieu of the matter proposed to be stricken out by the Senate amendment insert a comma and the following: "except a national bank, trust company, or other banking organization" and a comma; and the Senate agree to the same.

The committee of conference have not agreed on amendments numbered 46 and 47.

HENRY B. STEAGALL,
W. F. STEVENSON,
T. ALAN GOLDSBOROUGH,
L. T. MCFADDEN,
ROBERT LUCE,
Managers on the part of the House.

PETER NORBECK,
JAMES E. WATSON,
DUNCAN U. FLETCHER,
Managers on the part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 12280) to create Federal home-loan banks, to provide for the supervision thereof, and for other purposes, submit the following written statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report:

On amendment No. 1: This amendment makes the provisions of the bill applicable within the Virgin Islands and to institutions organized under the laws of the Virgin Islands. (See amendment No. 5.) The House recedes.

On amendment No. 2: This amendment makes certain that only such first mortgages as are not preceded in interest by any prior lien or encumbrance shall be acceptable as collateral for an advance. Under the conference agreement the amendment is omitted as being unnecessary. The Senate recedes.

On amendment No. 3: Under the House bill first mortgages on dwellings for not more than three families were acceptable as collateral. Under this Senate amendment only first mortgages on dwellings for not more than two families are acceptable. The Senate recedes.

On amendment No. 4: This amendment makes a clerical change in a cross-reference to a section. The House recedes.

On amendment No. 5: This amendment provides that the Virgin Islands be included within the area to be divided into districts for the establishment of home-loan bank districts. (See amendment No. 1.) The House recedes.

On amendments Nos. 6 and 7: Under the House bill not less than 8 nor more than 12 home-loan bank districts with a bank in each district were to be created. Under these Senate amendments not more than 4 such districts and banks are to be created. The Senate recedes on both amendments.

On amendment No. 8: This amendment corrects a clerical error in a section heading. The House recedes.

On amendment No. 9: This amendment authorizes mortgage-loan companies to become members and nonmember borrowers of home-loan banks. The Senate recedes.

On amendment No. 10: This amendment authorizes insurance companies to become members and nonmember borrowers of home-loan banks. The House recedes with a clerical amendment.

On amendment No. 11: This amendment authorizes trust companies, mortgage-guaranty companies, State banks, and other banking organizations to become members and nonmember borrowers of home-loan banks. The Senate recedes.

On amendment No. 12: This amendment eliminates the requirement of the House bill that only institutions which make such home-mortgage loans as, in the judgment of the home-loan bank board, are long-term loans, could become members or nonmember borrowers of home-loan banks. The amendment adds trust companies, State banks, and other banking organizations to the class of institutions required to have such time deposits as in the judgment of the board warrant their making long-term loans. The Senate recedes.

On amendment No. 13: This amendment adds mortgage-guaranty companies to the class of institutions eligible to membership, nowithstanding the fact that they are not subject to State inspection and regulation, if such institutions

subject themselves to inspection and regulation by the board. The Senate recedes.

On amendment No. 14: This amendment adds a new subsection authorizing home owners coming within the limits of the act who are not able to obtain mortgage money elsewhere, to obtain advances from any home-loan bank with the limitation that the provision shall not be effective when the stock of the Federal Government has been retired. The House recedes.

On amendment No. 15: Under the House bill an institution, the charges of which to the home owner create an actual net cost to him in excess of the maximum legal rate of interest of the State law, regardless of any exemption from usury laws, was ineligible to participate in the home-loan bank system. This amendment strikes out the provisions relating to the exemption from usury laws and provides that such actual net cost shall not exceed the maximum legal rate of interest and rates allowed for other charges permitted by contract or otherwise in the State. The House recedes with an amendment making the institution ineligible if the net cost to the home owner exceeds the maximum legal rate in the State, or the contract rate (regardless of any exemption from usury laws) if the State law provides a contract rate for the transaction, or 8 per cent if neither a legal rate nor a contract rate is provided by the State law, and providing that the section shall apply only to home-mortgage loans made after the enactment of the act.

On amendment No. 16: This amendment inserts a new section heading. The House recedes.

On amendment No. 17: This amendment increases the minimum capital of each bank from $5,000,000 to $15,000,000, to correspond with the action of the Senate in reducing the number of banks to four. (See amendments Nos. 6 and 7.) The Senate recedes.

On amendment No. 18: Under the House bill, if the stock investment of a member was greater than that required by the bill, the member's stock holding could be reduced and the member paid the value of stock canceled. Under this Senate amendment, such member, in such case, can be paid no more for such stock than the amount paid in thereon. The Senate recedes.

On amendments Nos. 19 and 20: These amendments make clerical changes in cross-references to sections. The House recedes.

On amendment No. 21: Under the House bill, stock held by the United States was to be begun to be retired when the amount paid in by members equaled that paid in by the Secretary of the Treasury. Under this Senate amendment, such stock is begun to be retired when the amount paid in by members exceeds by 10 per cent the amount paid in by the Secretary of the Treasury. The Senate recedes.

On amendment No. 22: Under the House bill the home-loan bank board could require stock held by the United States to be retired if, in the opinion of the board, the bank had resources available therefor. This amendment adds the requirement that cumulated dividends on the Federal stock required to be paid under section 6(k) have been paid. The House recedes with an amendment making a clerical change.

On amendment No. 23: This amendment provides that the stock of the United States shall be entitled to additional dividends to equal dividends paid on other stock. The House recedes with an amendment providing that when dividends in excess of 2 per cent are earned the stock of the United States shall be entitled to a dividend at a rate not in excess of that paid on other stock.

On amendments Nos. 24 and 25: These amendments provide that the value to be ascertained for the purpose of establishing the maximum amount which may be advanced on the security of a mortgage shall be the value of the estate mortgaged rather than the value of the real estate with respect to which the mortgage is given, as provided in the House bill. The Senate recedes.

On amendment No. 26: The House bill provided that no mortgage should be accepted as collateral security for an advance if it was past due when presented. The Senate amendment provides that the mortgage may not be past due more than six months. The House recedes.

On amendment No. 27: The House bill provided that the value of real estate should be as of the time the advance is made and shall be established by certification or other evidence. The Senate amendment relates this provision not only to the value of real estate as in the House bill but also to the value of estates mortgaged. (See amendments Nos. 24 and 25.) The Senate recedes.

On amendment No. 28: This amendment makes a clerical change in a cross reference to a section. The House recedes.

On amendment No. 29: The House bill provided that the unpaid principal of mortgages deposited as collateral for any issue of bonds or debentures should equal 190 per cent of such issue. Under this Senate amendment the requirement relates to all bonds and debentures issued and not to any particular issue. The House recedes.

On amendment No. 30: This amendment makes a clerical change in a cross reference to a section. The House recedes.

On amendment No. 31: The House bill provided that no advance could be made to certain participating institutions without security after the enactment of State legislation authorizing pledging and assigning of home mortgages by the institution or the expiration of the next regular session of the State legislature. The Senate amendment strikes out this provision. The House recedes.

On amendment No. 32: This is a clarifying amendment to make certain that advances by home-loan banks to members are tax-exempt. The House recedes with an amendment applying the provision to all advances.

On amendment No. 33: This amendment inserts a new sentence providing that notes, debentures, and bonds of a bank shall be accepted at par in payment of or as a credit against the obligations of a home-owner debtor of the bank. The House recedes with an amendment authorizing such acceptances only if unearned coupons are attached to the bond or debenture.

On amendment No. 34: This amendment inserts a new sentence providing that all obligations of home-loan banks shall plainly state that such obligations are not obligations of the United States and are not guaranteed by the United States. The House recedes.

On amendment No. 35: This amendment reduces the number of members of the home-loan bank board from five to three. The Senate recedes.

On amendments Nos. 36 and 37: These amendments are clerical amendments relating to the party affiliation of members of the board. The House recedes.

On amendments Nos. 38, 39, and 40: These amendments reduce the terms of members of the board from six years to four years and make corresponding changes in the terms of the members first appointed. The Senate recedes.

On amendment No. 41: This amendment reduces the authorization of appropriations for board expenses for the fiscal year 1933 from $500,000 to $200,000. The House recedes with an amendment making the sum $300,000.

On amendment No. 42: This amendment authorizes national banks to incur liabilities as authorized in section 5202 of the Revised Statutes under the provisions of this act. The Senate recedes.

On amendments Nos. 43 and 44: These amendments eliminate the provisions of the House bill authorizing the board to fix the stock subscription of institutions authorized under section 24 to become members and provide that such institutions shall in all respects be members. The House recedes.

On amendment No. 45: This amendment strikes out the exception of national banks, State banks, insurance companies, and trust companies organized under the laws of the United States or the District of Columbia. (See amendments Nos. 9, 10, and 11.) The House recedes with an amendment which strikes out the exception of insurance companies but retains the exception of national banks and other banking organizations eliminated from the bill by the action of the conference on amendments Nos. 9 and 11.

On amendment No. 46: This amendment authorizes United States bonds bearing interest at a rate not in excess of 3⅜ per cent to bear the circulating privilege for a period of three years after the enactment of this act. There is no comparable provision in the House bill. The committee of conference have not agreed on this amendment.

On amendment No. 47: This amendment changes a section number. The committee of conference have not agreed on this amendment on account of the disagreement on amendment No. 46.

HENRY B. STEAGALL,
W. F. STEVENSON,
T. ALAN GOLDSBOROUGH,
L. T. MCFADDEN,
ROBERT LUCE,
Managers on the part of the House.

The SPEAKER. Is there objection?

Mr. MCFADDEN. Mr. Speaker, I reserve the right to object. I do not want to interfere with the orderly procedure in the House, but I think it is well that the House should understand in connection with this matter that this is the same matter that was twice voted on yesterday. It is our disagreement to the amendment of the Senate numbered 46, known as the Borah-Glass amendment. The House voted yesterday on that and disposed of it in a negative way, when the Goldsborough bill was attached to it as a rider. Afterwards the House voted against this proposition when it insisted on its further disagreement to the Senate amendment to the bill and sent the bill back to conference. The conferees have dealt with the matter and a rather unusual situation has been brought to light. I am going to be frank with the House because the House is entitled to know. This proposal is being objected to principally by one or two Senators, who are not on the conference committee. I understand that it is the position of the leadership on both sides here to reaffirm our position of yesterday. The Senators are responding to this influence and are insisting on a record vote by this House upon the theory that yesterday when we sent this bill back to conference and further insisted on our disagreement that it was not an expression of the House, and that the membership on the floor of the House did not know what they were doing. The conferees tried to convince the Senate that the House was intelligent and did know. To-day what we should do is by record vote establish the fact that we knew what we were doing yesterday. Further reserving the right to object, it is my understanding that if I do not object the Republican leader, Mr. SNELL, agrees that we will send this bill back, so far as his influence goes, and I believe that is the position on the other side.

Mr. STEAGALL. That is the situation on this side.

Mr. LAGUARDIA. Mr. Speaker, I notice the conference report refers to amendments numbered 46 and 47.

Mr. STEAGALL. Forty-six is the Glass-Borah bill, and 47 is the renumbering of a section. It is my purpose, if consent is given, to then move the adoption of the report and then move to further insist upon the disagreement of the House to amendment numbered 46, which is the Glass provision incorporated in this bill as an amendment, offered by Senator BORAH.

Mr. SNELL. That is what I understand the procedure will be; and as far as I know, I am in harmony with that.

Mr. LAGUARDIA. Yesterday we had approved the conference report up to numbered 46, did we not?

Mr. STEAGALL. But the Senate did not.

Mr. LAGUARDIA. So that there is nothing in dispute except 46?

Mr. STEAGALL. Nothing in dispute except numbered 46. Numbered 47 is in dispute, but that is involved in 46.

Mr. LAGUARDIA. So that my amendment, section 5, preventing financial institutions charging usurious and excessive interest rates from getting the benefit of this bill, is still in the bill?

Mr. STEAGALL. Yes. The gentleman's amendment is incorporated in the bill.

The SPEAKER. Is there objection?

Mr. CELLER. Mr. Speaker, reserving the right to object, is it possible for the conferees to drop the Goldsborough proposition and the Glass proposition and save this bill?

Mr. STEAGALL. That is what we are endeavoring to do. We have adopted this procedure, which is the best that we can formulate to accomplish that end.

The SPEAKER. Is there objection?

Mr. RAMSEYER. Mr. Speaker, will the gentleman yield?

Mr. STEAGALL. Yes.

Mr. RAMSEYER. I just want to get the status of the matter. Of course, I do not agree with the summation given by the gentleman from Pennsylvania [Mr. MCFADDEN]; but the gentleman intends, if unanimous consent is given, to approve the conference report, and then, if the conference report is approved, to move to further insist on the disagreement of the House to Senate amendment No. 46.

Mr. STEAGALL. To insist on the disagreement of the House to Senate amendment No. 46.

Mr. RAMSEYER. And, of course, a negative vote on that—that is, if the nays should have it—would be tantamount to a concurrence in the Senate amendment.

Mr. STEAGALL. That is right.

Mr. CANNON. Mr. Speaker, will the gentleman yield?

Mr. STEAGALL. Yes.

Mr. CANNON. I regret to have to differ with my friend, but I think we ought to understand the situation. As I understood it, his conclusion was that a failure to vote on insistence was equivalent to a concurrence. Unfortunately, that is not the case. It is true that in a question of agreeing or disagreeing the converse is true. If you decline to agree, you disagree; if you decline to disagree, you agree; but that is not the situation on a vote on insistence, because there is another alternative.

You may either insist or you may concur or you may adhere. The rejection of one proposition leaves two propositions—leaves two remaining courses open to the choice of the House—and there is no indication in the failure to agree to any one of the three that either of the two remaining is the choice of the House.

Accordingly, failure to insist is not concurrence, and failure to concur is not insistence. I trust the gentleman from Iowa [Mr. RAMSEYER] will pardon the interruption, but in the present acute situation it might result in considerable confusion and delay.

Mr. STEAGALL. I will say that the practical situation is—and I am justified in making the statement—that if the House adheres to the position taken yesterday this matter will be cleared up and many Members on this floor will be happy.

Mr. RANKIN. Will the gentleman yield?

Mr. STEAGALL. I yield.

Mr. RANKIN. I, for one, am opposed to the unanimous-consent request to disagree to the Senate amendment. This amendment, if adopted, will expand the currency more than $900,000,000. We will not get out of this panic until we do have an expansion. This is our last chance. I hope we can get a vote on it, and I should like for us to have time to discuss it. I consider it one of the most important questions that has come before Congress at this session.

The trouble with this country is that we are in a money panic that has depressed prices to such an extent as to bring our people to the most deplorable state of destitution ever known in all the history of the American people.

Cotton is selling far below the cost of production. Wheat sold on yesterday at the lowest price it has reached in 400 years. Banks are failing, farms are being sold for their taxes, and homes generally are being swept away. Thousands of hungry people are standing in front of this Capitol at this very moment begging Congress for relief. Ten million unemployed men throughout the country are pleading to us to do something to give them work by which they may earn their daily bread. Thousands of hungry women and children are begging their bread from door to door.

What is the cause of all this? Is it because we have a food famine? No; we have more food than we know what

to do with. Then what is the cause of this condition? It is because we are in a money panic, and we are going to remain in it until we expand the currency, put more money into circulation, raise the prices of commodities, and restore the people's buying power.

This Glass-Borah amendment will do that very thing. It will add a billion dollars, or approximately that amount, to our present volume of currency. It will enable the banks involved to put their money into circulation with the assurance that they can get relief in case runs are made on them by excited depositors. In other words, it will restore confidence, swell the volume of money, and start circulation that will result in the breaking of this panic. If this amendment is adopted, you will see the price of cotton rise to something like its normal value; wheat, corn, cattle, land, and other properties will advance accordingly. That will mean increased buying power for our farmers, which in turn will result in the starting up of our factories, thereby diminishing unemployment. Railroads will begin to haul, where their cars are now standing idle, and the country will gradually return to normal conditions. To defeat this amendment, without offering something in its place, would be to consign the American people to an indefinite continuation of these horrible conditions.

I hope the House will join me in agreeing to the Senate amendment.

Mr. HUDDLESTON. Mr. Speaker, regular order.

The SPEAKER. The regular order is, is there objection to the request of the gentleman from Alabama to consider the conference report?

Mr. McGUGIN. Reserving the right to object——

Mr. HUDDLESTON. Mr. Speaker, I demand the regular order.

The SPEAKER. Regular order is demanded. There can be no reservation of objection when regular order is demanded.

Is there objection to the request of the gentleman from Alabama [Mr. STEAGALL]?

There was no objection.

The SPEAKER. Without objection, the Clerk will read the statement in lieu of the report.

There was no objection.

Mr. CHINDBLOM. Mr. Speaker, this is exactly the same report which the House adopted on yesterday, as I understand it. I therefore ask unanimous consent that the reading of the statement may be dispensed with.

The SPEAKER. The Chair thinks the statement should be read.

The Clerk read the statement.

Mr. STEAGALL. Mr. Speaker, I move the previous question on the adoption of the report.

The previous question was ordered.

The conference report was agreed to.

The SPEAKER. The Clerk will report the first amendment in disagreement.

The Clerk read as follows:

Amendment No. 46: On page 41 of the bill, after line 9, insert the following:

"SEC. 29. That notwithstanding any provisions of law prohibiting bonds of the United States from bearing the circulation privilege, for a period of three years from the date of enactment of this act all outstanding bonds of the United States heretofore issued or issued during such period, bearing interest at a rate not exceeding 3⅜ per cent per annum, shall be receivable by the Treasurer of the United States as security for the issuance of circulating notes to national banking associations, and upon the deposit with the Treasurer of the United States by a national banking association of any such bonds, such association shall be entitled to receive circulating notes in the same manner and to the same extent and subject to the same conditions and limitations now provided by law in the case of 2 per cent gold bonds of the United States bearing the circulation privilege; except that the limitation contained in section 9 of the act of July 12, 1882, as amended, with respect to the amount of lawful money which may be deposited with the Treasurer of the United States by national banking associations for the purpose of withdrawing bonds held as security for their circulating notes, shall not apply to the bonds of the United States to which the circulation privilege is extended by this section and which are held as security for such notes. Nothing contained in this section shall be construed to modify, amend, or repeal any law relating to bonds of the United States which now bear the circulation privilege.

"As used in this section, the word 'bonds' shall not include notes, certificates, or bills issued by the United States.

"There are hereby authorized to be appropriated such sums as may be necessary to carry out the provisions of this section."

Mr. STEAGALL. Mr. Speaker, I move that the House still further insist on its disagreement to the amendment of the Senate No. 46.

Mr. RAMSEYER. Mr. Speaker, I offer a preferential motion.

The SPEAKER. The gentleman from Iowa offers a preferential motion which the Clerk will report.

The Clerk read as follows:

Mr. RAMSEYER moves that the House recede from its disagreement to Senate amendment No. 46, and concur therein.

Mr. RAMSEYER. Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER. The question is on the motion of the gentleman from Iowa that the House recede from its disagreement to Senate amendment No. 46 and concur therein.

Mr. STEAGALL. Mr. Speaker, I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 89, nays 222, not voting 119, as follows:

[Roll No. 125]

YEAS—89

Amlie	Garber	Kvale	Sanders, Tex.
Andresen	Gilchrist	LaGuardia	Schneider
Boileau	Gregory	Lambertson	Selvig
Brand, Ohio	Griswold	Lamneck	Shallenberger
Briggs	Hall, Ill.	Lankford, Ga.	Simmons
Burtness	Hart	McGugin	Sinclair
Butler	Haugen	Maas	Smith, Idaho
Campbell, Iowa	Hill, Wash.	Major	Smith, Va.
Carden	Hoch	May	Strong, Kans.
Cartwright	Hogg, Ind.	Michener	Swanson
Christgau	Hope	Montet	Swing
Christopherson	Hornor	Moore, Ky.	Taylor, Colo.
Clague	Horr	Morehead	Thurston
Collier	Howard	Nolan	Vinson, Ky.
Colton	James	Norton, Nebr.	Whittington
Cross	Johnson, Mo.	Oliver, Ala.	Williams, Mo.
DeRouen	Johnson, Okla.	Overton	Williamson
Dies	Johnson, Tex.	Person	Wilson
Disney	Jones	Pettengill	Withrow
Dowell	Kading	Polk	Yon
Doxey	Keller	Ramseyer	
Drewry	Kelly, Pa.	Rankin	
French	Kopp	Robinson	

NAYS—222

Adkins	Clarke, N. Y.	Goss	Lindsay
Allgood	Cochran, Mo.	Granfield	Lonergan
Almon	Cochran, Pa.	Green	Loofbourow
Andrews, N. Y.	Cole, Iowa	Hadley	Lozier
Arnold	Cole, Md.	Haines	Luce
Auf der Heide	Collins	Hall, N. Dak.	Ludlow
Ayres	Condon	Hancock, N. Y.	McClintock, Ohio
Bachmann	Connery	Hancock, N. C.	McCormack
Bacon	Cooke	Hardy	McDuffie
Baldrige	Cooper, Ohio	Hare	McFadden
Barbour	Cooper, Tenn.	Harlan	McLaughlin
Barton	Coyle	Hartley	McMillan
Beam	Crail	Hawley	McSwain
Beedy	Crosser	Hess	Magrady
Black	Crowe	Hogg, W. Va.	Manlove
Bland	Crowther	Holaday	Mapes
Bloom	Culkin	Hollister	Martin, Mass.
Boehne	Cullen	Holmes	Martin, Oreg.
Boland	Curry	Hooper	Mead
Bolton	Dallinger	Hopkins	Millard
Bowman	Darrow	Houston, Del.	Milligan
Britten	Davenport	Huddleston	Mobley
Browning	Delaney	Hull, Morton D.	Moore, Ohio
Brumm	De Priest	Hull, William E.	Mouser
Brunner	Doughton	Jacobsen	Murphy
Buckbee	Douglass, Mass.	Jeffers	O'Connor
Bulwinkle	Doutrich	Jenkins	Owen
Burch	Driver	Johnson, S. Dak.	Palmisano
Burdick	Dyer	Johnson, Wash.	Parker, Ga.
Byrns	Eaton, Colo.	Kahn	Parker, N. Y.
Cable	Eaton, N. J.	Kelly, Ill.	Parsons
Campbell, Pa.	Englebright	Kemp	Patman
Cannon	Erk	Kerr	Patterson
Carley	Estep	Kinzer	Pittenger
Carter, Calif.	Evans, Calif.	Kniffin	Pou
Carter, Wyo.	Fiesinger	Kurtz	Prall
Cavicchia	Fitzpatrick	Lambeth	Pratt, Harcourt J.
Celler	Flannagan	Lankford, Va.	Pratt, Ruth
Chase	Foss	Larrabee	Purnell
Chavez	Gambrill	Lea	Ramspeck
Chindblom	Garrett	Leavitt	Ransley
Clancy	Gavagan	Lehlbach	Reed, N. Y.
Clark, N. C.	Goldsborough	Lichtenwalner	Reilly

Rich	Spence	Swick	Welch
Rogers, Mass.	Stafford	Taber	West
Rudd	Stalker	Temple	White
Sanders, N. Y.	Steagall	Tierney	Wigglesworth
Schafer	Stevenson	Tilson	Wingo
Schuetz	Stewart	Timberlake	Wolcott
Seger	Stokes	Tinkham	Wolverton
Seiberling	Strong, Pa.	Treadway	Wood, Ga.
Shott	Stull	Underwood	Wood, Ind.
Shreve	Summers, Wash.	Warren	Woodruff
Snell	Sumners Tex.	Wason	Wyant
Snow	Sutphin	Watson	
Somers, N. Y.	Sweeney	Weaver	

NOT VOTING—119

Abernethy	Ellzey	Kennedy	Rainey
Aldrich	Evans, Mont.	Ketcham	Rayburn
Allen	Fernandez	Kleberg	Reid, Ill.
Andrew, Mass.	Finley	Knutson	Rogers, N. H.
Arentz	Fish	Kunz	Romjue
Bacharach	Fishburne	Lanham	Sabath
Bankhead	Frear	Larsen	Sandlin
Beck	Free	Lewis	Shannon
Blanton	Freeman	Linthicum	Sirovich
Bohn	Fulbright	Lovette	Smith, W. Va.
Boylan	Fuller	McClintic, Okla.	Sparks
Brand, Ga.	Fulmer	McKeown	Sullivan, N. Y.
Buchanan	Gasque	McLeod	Sullivan, Pa.
Busby	Gibson	McReynolds	Swank
Canfield	Gifford	Maloney	Tarver
Cary	Gilbert	Mansfield	Taylor, Tenn.
Chapman	Gillen	Miller	Thatcher
Chiperfield	Glover	Mitchell	Thomason
Connolly	Golder	Montague	Tucker
Corning	Goodwin	Nelson, Me.	Turpin
Cox	Greenwood	Nelson, Mo.	Underhill
Crisp	Griffin	Nelson, Wis.	Vinson, Ga.
Crump	Guyer	Niedringhaus	Weeks
Davis	Hall, Miss.	Norton, N. J.	Whitley
Dickinson	Hastings	Oliver, N. Y.	Williams, Tex.
Dickstein	Hill, Ala.	Parks	Wolfenden
Dieterich	Igoe	Partridge	Woodrum
Dominick	Johnson, Ill.	Peavey	Wright
Douglas, Ariz.	Karch	Perkins	Yates
Drane	Kendall	Ragon	

So the motion to recede and concur in the Senate amendment was rejected.

The Clerk announced the following pairs:

General pairs until further notice:

Mr. Crisp with Mr. Bacharach.
Mr. Rainey with Mr. Aldrich.
Mr. Douglas of Arizona with Mr. Yates.
Mr. Ellzey with Mr. Wolfenden.
Mr. Griffin with Mr Knutson.
Mr. Kleberg with Mr. McLeod.
Mr. Nelson of Missouri with Mr. Gibson.
Mr. Shannon with Mr. Connolly.
Mr. Lewis with Mr. Niedringhaus.
Mrs. Norton with Mr. Goodwin.
Mr. Dieterich with Mr. Allen.
Mr. Crump with Mr. Fish.
Mr. Sullivan of New York with Mr. Kendall.
Mr. Cox with Mr. Perkins.
Mr. Dickinson with Mr. Whitley.
Mr. Kennedy with Mr. Nelson of Maine.
Mr. Hall of Mississippi with Mr. Guyer.
Mr. Dominick with Mr. Andrew of Massachusetts.
Mr. Corning with Mr. Frear.
Mr. Buchanan with Mr. Arentz.
Mr. Evans of Montana with Mr. Gifford.
Mr. Ragon with Mr. Ketcham.
Mr. Bankhead with Mr. Partridge.
Mr. Rayburn with Mr. Sparks.
Mr. Oliver of New York with Mr. Thatcher.
Mr. Montague with Mr. Weeks.
Mr. Blanton with Mr. Peavey.
Mr. Swank with Mr. Lovette.
Mr. Woodrum with Mr. Free.
Mr. Vinson of Georgia with Mr. Beck.
Mr. Sandlin with Mr. Finley.
Mr. Mitchell with Mr. Bohn.
Mr. Brand of Georgia with Mr. Chiperfield.
Mr. Mansfield with Mr. Freeman.
Mr. Davis with Mr. Reid of Illinois.
Mr. Fernandez with Mr. Golder.
Mr. Maloney with Mr. Sullivan of Pennsylvania.
Mr. Gasque with Mr. Underhill.
Mr. Hastings with Mr. Taylor of Tennessee.
Mr. Busby with Mr. Johnson of Illinois.
Mr. Karch with Mr. Turpin.
Mr. Glover with Mr. Nelson of Wisconsin.
Mr. Lanham with Mr. Greenwood.

Mr. STEWART. My colleague, the gentlewoman from New Jersey [Mrs. NORTON] is absent on account of illness. If present, she would vote "no."

The result of the vote was announced as above recorded.

The SPEAKER. The motion is rejected, and the House further insists upon its disagreement to Senate amendment No. 46.

The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 47: Page 42, line 17, strike out the figure "29" and insert the figure "30."

Mr. STEAGALL. Mr. Speaker, I move that the House further insist on its disagreement to the amendment of the Senate, No. 47.

The SPEAKER. The Clerk will report the motion.

The Clerk read as follows:

Mr. STEAGALL moves that the House further insist on its disagreement to the amendment of the Senate, No. 47.

The motion was agreed to.

A motion to reconsider was laid on the table.

PERMISSION TO RETURN COURT RECORDS

The SPEAKER. The Chair lays before the House the following request.

The Clerk read as follows:

Mr. COYLE asks leave to withdraw from the files of the House the original records of the court of Carbon County, Pa., which are adduced in evidence and made a part of the printed testimony in the contested-election case of Kent *v.* Coyle, Seventy-second Congress, said case having been decided by the House of Representatives, the return of said official court records having been requested by said court of Carbon County, Pa.

Mr. SNELL. Mr. Speaker, I did not catch the purport of the request.

The SPEAKER. The Chair has refrained from presenting this request for three or four days for fear it would create a precedent which at some future date might embarrass the House or the Speaker.

The request substantially is this: The gentleman from Pennsylvania [Mr. COYLE] requests the withdrawal of original papers filed with the Committee on Elections in a contested-election case that has been decided by the House of Representatives.

The customary request heretofore has been to grant the request for the return of the papers, no adverse report having been made thereon.

The parliamentarian advises the Chair that in this case this will not in any way affect the ordinary rules concerning the withdrawal of papers.

Is there objection?

There was no objection.

The SPEAKER. The Chair understands that the conference report on the relief bill has been agreed to in the Senate. The Chair presumes there will be a resolution for adjournment unless the Senate and the House become deadlocked on the amendment just voted upon a while ago, known as amendment numbered 46, to the home loan bank bill. The House has not asked for a conference. The message will go back to the Senate informing that body that the House insists upon its disagreement to the two Senate amendments and if the Senate does not recede but further insists and asks for a conference undoubtedly the House will have to grant the conference. However, the Chair's understanding is, by hearsay, that with this vote in the House the Senate will see the light of day and permit us to adjourn pretty soon.

THE AMERICAN POST OFFICE IN COLONIAL DAYS

Mr. MEAD. Mr. Speaker, I ask unanimous consent to extend my remarks by inserting an article furnished by the department on the Post Office service.

The SPEAKER. Is there objection?

There was no objection.

Mr. MEAD. Mr. Speaker, under leave granted, I insert the following article by Isaac Gregg, chief of information service, Post Office Department:

Writers on the postal service declare it to be the mightiest implement of human democracy. Good postal facilities, they point out, prompt and encourage the spirit and service of that world democracy which makes for the freedom and happiness of mankind.

We of America who are receiving our letters, newspapers, parcels, and packages two, three, and four times a day in some instances, and those of us who are first to complain if a letter goes

astray or is delayed for as much as a few hours might well ponder on the trials and tribulations which beset our forefathers and the early settlers of America in attempting to establish means of communication between themselves and their families. It is a mighty long step between mail service in early Colonial days and in this twentieth century of development and progress. The colonists had no fast steamers plying between the mother country and America carrying their messages from relatives and friends left behind. They did not have the services of speedy railway mail trains and airplanes to carry their missives of love and greeting to their fellow men. They were compelled to resort to the crudest methods of mail transportation and to trust often to Providence for the receipt and delivery of their communications between one another.

When the colonists landed on the shore of America, they did not bring with them any ideas of postal service from their mother country. In England the general post office had not been established until 1657, and the postal service was not extensively developed until after the close of the seventeenth century. The colonists regarded the mail which kept them in touch with the mother country as the most important. Captains of vessels leaving England for America contracted for 1 penny each to carry letters safely across the ocean and deliver them at some tavern or coffee house, where the persons to whom they were addressed would call for them. It was the practice of some of the masters of these vessels to place in certain coffee houses in London receiving bags for letters, which they collected before sailing for America.

The first record of the beginning in any of the Colonies of a postal system is contained in an order issued by the General Court of Massachusetts on November 5, 1639, which read:

"For the preventing the miscarriage of letters, it is ordered that notice be given that Richard Fairbanks, his house in Boston, is the place appointed for all letters, which are brought from beyond the seas, or be sent thither, are to be brought unto him, and he is to take care that they be delivered or sent according to their directions; provided that no man shall be compelled to bring his letters thither except he please."

It is said that despite the issuing of the above order it became the custom to bring letters to the exchange in the Town Hall of Boston to run the hazard of being forwarded by visitors. This proved so precarious a method, however, that the council in 1677–78 appointed John Hayward postmaster for the entire Colony. He was followed by John Campbell as postmaster in 1704.

Richard Fairbanks, therefore, has often been referred to as the first postmaster in America. There is no record, however, that this early post office established in Boston received or delivered local letters or was engaged in any correspondence with other sections of America.

An act of the Virginia Assembly in 1657 required that all letters "superscribed for the service of His Majesty or publique shall be immediately conveyed from plantation to plantation to the place and person they are directed to, under a penalty of one hogshead of tobacco for each default." The Dutch in New Amsterdam along about the same time took steps to prevent the private sending or receiving of ship letters. A box was set in the office of the secretary, and "three stivers in wampum" was required for each letter.

In 1672 Governor Lovelace, of New York, took the first step toward a domestic post for connecting the several Colonies when he decreed that a post should "goe monthly between New York and Boston." So far as known, this was the first post route officially established in this country. The contract for this route was signed by the governor and given to one whom he described as "active, stout, and indefatigable." In commenting on his action Governor Lovelace made this announcement to his people:

"I have affixt an annuall sallery on him, which, together with the advantage of his letters and other small portable packs, may afford him a handsome livelyhood." It was necessary for this postman to travel through the trackless forest, and he was compelled to mark the trees covering his journey for the benefit of travelers who might wish to follow his course. But this Boston to New York service, started by Governor Lovelace, was soon discontinued, and it was not until more than 10 years afterward that any attempt was made to establish a regular post road in America. As a consequence, correspondence between those residing in the American Colonies practically ceased due to the lack of means of communication. Occasionally friends in the different Colonies were successful in communicating with each other by means of sea captains traveling along the coast or by Indians or other means. All official dispatches were sent by special messengers.

About this time steps were initiated to establish regular mail communication between the colonists. The Massachusetts General Court in 1673 ordered that post messengers should be paid for their services threepence a mile and certain other allowances. In 1675 the General Court of Connecticut issued instructions with reference to allowances for post riders. The man was to be paid 20 shillings and his horse 12 shillings for each journey from Rye to Hartford. In wintertime the carrier was given 8 shillings extra for his services. It was provided that "hyred" horses were not to be deprived of their allowance. In 1676 the Massachusetts General Court appointed John Heyward to "take in and convey letters according to the direction."

To William Penn is given the credit for having established the first postal system in the Colonies. In 1683 he appointed Henry Waldy, of Tekonay, to keep a post and "supply passengers with horses from Philadelphia to New Castle or the Falls of the Delaware." From Philadelphia to Chester letters were carried under the service established by Penn for twopence, to New Castle for fourpence, and to points in Maryland for sixpence. Shortly afterwards posts were established in practically every civilized community in the Quaker Colony of Pennsylvania.

The project of Governor Lovelace for the establishment of an intercolonial post was revived by Governor Dongan, of New York, in 1684. In addition to a route between New York and Boston, Governor Dongan proposed to establish post offices along the Atlantic coast from Nova Scotia to Carolina. He had some correspondence on the subject with Sir John Werden, who at that time held the monopoly for farming out all postal privileges in England and any that might be established in America. Nothing came of Governor Dongan's efforts, however, despite the desire on the part of the Colonists for some substantial means of communication between them.

John Perry, in 1687, operated an irregular post route between Hartford, Stamford, and Fairfield, Conn. The Massachusetts General Court on June 11, 1689, appointed Richard Wilkins as postmaster to "receive all letters and deliver them out at 1 penny each." At this time the Boston post office handled letters besides those from England, many from along the coast and from and to outlying hamlets in Massachusetts, besides those brought in from other Colonies by travelers and irregular post riders.

It may be stated, however, that the real beginning of postal service in America dates from February 17, 1691, when letters patent were granted to Thomas Neale by William and Mary, then King and Queen of England, giving Neale "full power and authority to erect, settle, and establish within the chief parts of their Majesty's colonies and plantations in America an office or offices for the receiving and dispatching of letters and pacquets, and to receive, send, and deliver the same under such rates and sums of money as the planters shall agree to give, and to hold and enjoy the same for the term of 21 years." Neale, who received this commission, was a court favorite and was connected in some way with state and private lotteries. He did not come to America, however, to carry on his work, but named as Postmaster General for America Andrew Hamilton, a merchant of Edinburgh. The latter had recently returned to his native country after a journey of several years to New Jersey. Hamilton was an earnest, public-spirited man and his engaging personality made friends for him even among those who, like Penn, were not disposed to assist in any movement for consolidating the British Colonies in America. But after much negotiation Hamilton succeeded in persuading practically all the colonial assemblies to pass postal acts that were sufficiently identical in their terms to permit the establishment of a united system of posts in America.

On May 1, 1693, Hamilton's Inter-Colonial Postal Union began a weekly service between Portsmouth, N. H., and Virginia. In addition, arrangements were made to dispatch and receive mail between the Colonies and all parts of the civilized world. Liberal salaries were paid to employees; and while the rates of postage were high, they were not regarded as excessive in those days when the difficulties of transportation to be overcome had to be taken into consideration. Hamilton regarded the post office as a public utility, established for the benefit and convenience of the people, and he felt that if it was maintained in the best possible condition and extended rapidly it would eventually prove successful as a financial venture.

In 1698 Hamilton himself, in partnership with a Mr. West, took over the ownership of the American posts and established a service equally as good as that which maintained in England under similar conditions. While the postage rates were prescribed separately by each colonial legislature, they were in effect uniform. At the time there were no common standards of money among the Colonies. The English pounds, shillings, and pence were in use, but there was no English coin. Spanish coin was used and also the coin issued by the several Colonies. For example, 7 shillings in Massachusetts were the equivalent of 9 shillings in New York. But Hamilton operated the post-office finances on a sound money basis by requiring postage to be paid in pennyweights and grains of silver. The policy of Hamilton promoted better highways. When the Intercolonial Postal Union started in 1693 every post road had to be made through a wilderness. But in 1698, when Hamilton returned to America to resume his duties, these routes had become the accustomed way for all travelers and were traversed with much less difficulty by the post riders. Hamilton, recognized as the first Postmaster General of America, died at Amboy, N. J., in 1703. He was succeeded by his son, John Hamilton, who operated the system until 1707, when the British Government itself took over the colonial postal service.

Under the administration of the younger Hamilton postage rates were increased and new routes established in the Colonies. One operated weekly between New York and Williamsburg, Va., and two biweekly between New York and Boston and between Philadelphia and Annapolis. A mail-packet service from Falmouth, England, to Charleston and New York was started during the administration of Postmaster General John Lloyd, of Charleston, S. C. He was succeeded by Alexander Spotswood in 1730.

It was under Spotswood that we first hear of the activities of Benjamin Franklin, who is given credit for having laid the foundation for the present postal system in the United States. In 1737 Franklin was appointed postmaster at Philadelphia and ran the office very much like a fourth-class one of the present day. He owned a weekly newspaper, and the post office was operated in conjunction with that publication. In 1753 Franklin was named Deputy Postmaster General of the British Colonies. Immediately his troubles began. Dispatching and delivering

letters through the thickly wooded and sparsely populated areas in these pioneer times was a difficult task. Then the mails were transported by couriers, and six weeks were consumed in making the excursion from Philadelphia to Boston. During the winter months the couriers ventured out only twice in every 30 days. In most instances travelers made much faster time than the mail courier along the same roads, so that the postal system in the middle of the eighteenth century was unreliable as well as precarious.

But Franklin was not discouraged. He set to work immediately to reorganize the service. Trips were inaugurated weekly between Philadelphia and Boston throughout the year, the time of travel was shortened by one-half, new routes were opened to Savannah and southern points, and many improvements were effected. In 1763, after the British had won over Canada as a new colony from the French, Franklin proceeded at once to Quebec and opened the first post office there, with subordinate offices at Three Rivers and Montreal. A monthly service between Quebec and New York was promptly arranged, the courier making close connections with the packet boats sailing monthly between New York and Falmouth, England.

During the administration of Franklin mailing a letter in this country was an expensive luxury. In 1766 a Falmouth, Me., citizen paid $40 postage on three letters which he sent to Boston. But Franklin was determined to maintain a service demanded by the people of the Colonies.

But the colonial system was a losing business, the expenditures far exceeding the receipts, just as they are doing at the present time. Franklin, as Deputy Postmaster General, was allowed to shoulder the burdens of the annual deficit out of his private purse, the debts running as high as $4,500 by the year 1757. His salary was but $3,000 per annum, half of which he paid to his associate, William Hunter. But he was obdurate and kept his post riders conveying the mails and maintained his post offices at various villages regardless of the losses incurred. Three years later he reported a surplus to the home Government. In 1761 this surplus grew to £494, and, with a feeling of deep pride, Franklin sent the money in a sailing vessel to the British Postmaster General in London.

While it is not generally known, Benjamin Franklin was dismissed in 1774 as Deputy Postmaster General of the American Colonies by the British Crown. The charge lodged against him was that he made public a number of private letters passing through his hands from Governor Hutchinson and Lieutenant Governor Oliver, of Massachusetts, written to friends in England. These letters contained descriptions of the rebellious spirit displayed by the people in this Colony against the despotism of English rule and urged the use of military force to suppress these growing sentiments. Vitally interested in seeing the struggle for justice and freedom succeed, Franklin borrowed the letters from an English lord and loaned them to friends in America. In some way they reached the press, and their publication resulted in the General Assembly of Massachusetts adopting resolutions condemning Hutchinson and Oliver as inciters and breeders of oppression and petitioning the King for their removal from office. A widespread feeling of resentment swept over England against Franklin, and no time was lost in summarily discharging him as Deputy Postmaster General.

After the Boston riots in September, 1774, it became inevitable that the Colonies would separate from the mother country. A Continental Congress was organized at Philadelphia for the purpose of establishing a separate government. One of the first questions that came up before the delegates was the matter of providing for the conveying and delivering of the mails. Benjamin Franklin, as chairman of a committee of investigation, made a report providing for the appointment of a Postmaster General of the thirteen American Colonies to conduct a postal system and his report was adopted. Franklin himself was named to the office. A line of posts was established by him from Massachusetts to Georgia, with many cross posts, and postmasters were selected for all the principal communities.

This was the foundation laid for the present Post Office Department of the United States. Franklin served as colonial Postmaster General for little more than a year, being succeeded November 7, 1776, by his son-in-law, Richard Bache.

Franklin when head of the colonial post office under the British Crown franked his letters "Free. B. Franklin." When the Continental Congress, in 1775, made him Postmaster General of the infant Republic, he altered his frank to read, "B. Free Franklin."

THE WORK OF THE PRESENT CONGRESS

Mr. BACHMANN. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by inserting a short article on the work of this Congress.

The SPEAKER. Is there objection?

There was no objection.

Mr. BACHMANN. Mr. Speaker, Mr. Charles Brooks Smith, the distinguished son of a former Member of the House of Representatives, Washington correspondent of the Ogden chain of newspapers in the State of West Virginia, and a political observer of Congress for the last 20 years, wrote the following article, which appeared in the Wheeling Intelligencer a few days ago, relative to the valuable work done by the present session of Congress:

LOOK AT IT THIS WAY

For one thing, this Congress will hold a place in the annals as unprecedented, in so far as anyone living knows. Never was there one which demanded of each Member that he give to official duties the utmost of his physical strength, his time, and his abilities. The strain was, it is no exaggeration, terrific. The number of deaths was excessively above the rate fixed by mortuary statisticians for a body of this size. One Member of the House dropped dead while making a speech from the floor. Another was rushed from his office to a hospital, where he died the following day. Members collapsed under the grueling pressure of business and the long hard hours of work, and were forced to take time off to recover.

Secretaries and clerks were never called on to work so hard and so many extra hours; but being younger, they came through the session with a better health chart. It may be asked if the Congresses of the World War period were comparable to this one in the respects herein mentioned. They were not.

Whatever may be said for or against this Congress, it can not justly be charged with laziness or lack of full and complete appreciation and understanding of the unparalleled gravity of its official responsibilities. There was no difference or indifference, no wasted hours, no unwillingness to risk health and life itself in work hard, continuous, and high-tensioned. When middle-aged men fell mortally stricken under the weight of it—as they did—it ill becomes anybody to dwell too much upon fancied grievances.

From this viewpoint we unhesitatingly say that in our opinion this Congress was superlatively "great."

ENROLLED BILLS SIGNED

Mr. PARSONS, from the Committee on Enrolled Bills, reported that that committee had examined and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker:

H. R. 1289. An act for the relief of William Dalton;

H. R. 1834. An act for the relief of Claude E. Dove;

H. R. 2189. An act for the relief of Elsie M. Sears;

H. R. 7199. An act for the relief of Frank Martin;

H. R. 7215. An act for the relief of May Weaver; and

H. R. 12281. An act to encourage the mining of coal adjacent to the Alaska Railroad in the Territory of Alaska, and for other purposes.

The SPEAKER announced his signature to enrolled bills and a joint resolution of the Senate of the following titles:

S. 4569. An act relating to loans to veterans on their adjusted-service certificates;

S. 4912. An act to protect the copyrights and patents of foreign exhibitors at A Century of Progress (Chicago World's Fair Centennial Celebration), to be held at Chicago, Ill., in 1933;

S. 4976. An act granting the consent of Congress to the Highway Department of the State of Tennessee to construct a bridge across the South Fork, Forked Deer River, on the Milan-Brownsville Road, State Highway No. 76, near the Haywood-Crockett County line, Tennessee; and

S. J. Res. 206. Joint Resolution making available to the Banking and Currency Committee of the Senate certain information in the possession of the Treasury Department and the Bureau of Internal Revenue.

JOINT RESOLUTIONS PRESENTED TO THE PRESIDENT

Mr. PARSONS, from the Committee on Enrolled Bills, reported that that committee did on July 15, 1932, present to the President, for his approval, joint resolutions of the House of the following titles:

H. J. Res. 473. Joint resolution to amend the public resolution entitled "Joint resolution making an appropriation to provide transportation to their homes for veterans of the World War temporarily quartered in the District of Columbia," approved July 8, 1932;

H. J. Res. 474. Joint resolution making available as of July 1, 1932, the appropriations contained in the regular annual appropriation acts for the fiscal year 1933 for the Departments of Agriculture, Post Office, Treasury, and War, and ratifying obligations incurred in anticipation thereof; and

H. J. Res. 475. Joint resolution making an appropriation for the payment of pages for the Senate and House of Representatives from July 16 to July 25, 1932.

RECESS

Mr. McDUFFIE. Mr. Speaker, I move that the House stand in recess subject to the call of the Speaker, on 10 minutes' notice.

The SPEAKER. The gentleman from Alabama moves that the House stand in recess subject to the call of the Chair, on 10 minutes' notice.

The motion was agreed to.

Accordingly (at 2 o'clock and 25 minutes p. m.), the House stood in recess, subject to the call of the Speaker.

AFTER RECESS

The recess having expired, the House was called to order by the Speaker, at 3.30 o'clock p. m.

FURTHER MESSAGE FROM THE SENATE

A further message from the Senate by Mr. Crockett, its Chief Clerk, announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 9642) to authorize supplemental appropriations for emergency highway construction with a view to increasing employment.

DISTRIBUTION OF GOVERNMENT-OWNED WHEAT AND COTTON TO THE AMERICAN NATIONAL RED CROSS

Mr. BYRNS. Mr. Speaker, I present a conference report on the joint resolution (H. J. Res. 461) making appropriations to enable the Federal Farm Board to distribute Government-owned wheat and cotton to the American National Red Cross and other organizations for the relief of distress, and ask unanimous consent that the statement may be read in lieu of the report.

The Clerk read the statement.

The conference report and statement are as follows:

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the House Joint Resolution No. 461, making appropriations to enable the Federal Farm Board to distribute Government-owned wheat and cotton to the American National Red Cross and other organizations for relief of distress, having met, after full and free conference have been unable to agree.

JOSEPH W. BYRNS,
EDWARD T. TAYLOR,
W. A. AYRES,
WILL R. WOOD,
EDWARD H. WASON,
Managers on the part of the House.
W. L. JONES,
REED SMOOT,
FREDERICK HALE,
KENNETH MCKELLAR,
Managers on the part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to House Joint Resolution No. 461 entitled "Joint resolution making appropriations to enable the Federal Farm Board to distribute Government-owned wheat and cotton to the American National Red Cross and other organizations for relief of distress," submit the following statement in explanation of the effect of the action agreed upon and recommended in the accompanying conference report as to each of such amendments, namely:

The committee of conference have been unable to reach any agreement upon the three amendments proposed by the Senate.

JOSEPH W. BYRNS,
EDWARD T. TAYLOR,
W. A. AYRES,
WILL R. WOOD,
EDWARD H. WASON,
Managers on the part of the House.

The SPEAKER. The Clerk will report the first amendment in disagreement.

The Clerk read as follows:

Amendment No. 1: Page 1, line 8, strike out all after the figures "1932" down to and including the word "are," in line 9, and insert "not to exceed $40,00,000 is."

Mr. BYRNS. Mr. Speaker, I move that the House insist upon its disagreement to the Senate amendment.

Mr. LAGUARDIA. Mr. Speaker, I move that the House recede and concur in the Senate amendment, and on that I ask recognition.

The SPEAKER. The gentleman from Tennessee has the floor. The motion of the gentleman from New York is a preferential motion.

The gentleman from New York [Mr. LAGUARDIA] moves that the House recede and concur in the Senate amendment.

Mr. BYRNS. I shall be pleased to yield to the gentleman, if he will permit me to make a statement first.

Mr. Speaker, the House conferees have just come from a conference with the conferees of the Senate. We were unable to agree. The Senate insisted upon its amendments to this resolution, one of which has just been read, limiting the appropriation to $40,000,000.

The other amendment, which will be reported later, and which changes existing law, provides that whatever equity may remain in the cotton and in the wheat shall be turned into the Treasury of the United States rather than into the revolving fund of the Farm Board.

My own personal disposition as to both of these amendments is that they should not be concurred in, and I am going to very briefly tell you why I take this position, and, of course, after all, it is a matter for the House to act upon as it pleases.

In the first place, there is an uncertainty as to how much money will be needed for the purpose of paying the liens upon the wheat and the cotton which is to be turned over to the Red Cross. The Senate conferees insist it will not take as much as $40,000,000. They endeavor to demonstrate this by the figures. The president of the Farm Board stated to the House committee that he was unable to say, because he did not have all the facts before him, but he stated, as I recall, in answer to a question from the gentleman from Indiana [Mr. WOOD], that it would take $45,000,000 to $50,000,000. The amendment to the joint resolution carries $40,000,000. The whole proposition, so far as this particular amendment is concerned, is that if the $40,000,000 is not sufficient to pay the liens which exist upon the wheat and the cotton, only a portion of it, or whatever portion of it can be released, will be turned over to the Red Cross because, of course, these liens must be paid before it is turned over.

I do not believe it is fair to the Farm Board to take away from it the equity in this wheat and in this cotton. It was purchased by the Farm Board at varying prices when it was undertaking what proved to be a very unwise policy of stabilizing the price of cotton and the price of wheat, which, as we all know, proved to be a failure. I think it should be said, in justice to the Farm Board, that this action was taken, of course, upon its own responsibility, but there were many Members of the Congress who were interested in the matter just as sincerely as the Farm Board and who were urging this policy at the time, thinking it was the proper policy to pursue. At any rate, it failed, and now the Farm Board feels it should have its equity in the wheat and in the cotton, if there is any left, to go into its revolving fund and pay its debts.

The President of the Farm Board told me a while ago over the telephone that he did not believe he could do the job if these amendments were adopted. I do not know just why, but I am giving you his statement. He said it might compel him to sell the remainder of the wheat and the remainder of the cotton in order to pay the debts of the Farm Board.

If 500,000 bales of cotton are turned over to the Red Cross, they will have left 800,000 bales of cotton in storage, upon which they are paying storage, and they will have left 28,000,000 bushels of wheat upon which they are paying, I

think, 18 cents a bushel for storage. The president of the Farm Board says it might be necessary to sell either all or a portion of this cotton and wheat in order to take care of the charges and the calls made upon the Farm Board.

There has been a great deal of criticism of the Farm Board. For my part I am not prepared to join in these criticisms, certainly not to the fullest extent, because I have realized something that it has done recently in the case of the tobacco growers in my own section, where the price of tobacco had absolutely gone to pieces. They had no market and the farmers were in distress and unable to sell their tobacco. They wanted to form an association. They had to have the money to do it in order to make advances. They could not get it from the banks. They came to the intermediate-credit bank and the intermediate-credit bank agreed to advance certain money but, finally, did not advance all the money needed, and they got the balance from the Farm Board, which made the association possible, and in this way they created a market for their tobacco. However, this is neither here nor there.

Let me say that I have been requested by a majority of the Senate conferees to make this statement, and I think the House should have this information for whatever it is worth before it votes.

They say that there are certain Members there who do not propose to see the bill pass unless these amendments are adopted. Whether that be true or not I do not know, but I think the House should have that information.

Mr. BULWINKLE. Will the gentleman yield?

Mr. BYRNS. I yield.

Mr. BULWINKLE. Can the gentleman inform the House what equity the Farm Board will have in this cotton and wheat?

Mr. BYRNS. That is a matter in dispute. I do not know. That depends, of course, on the amount of the liens now existing upon the wheat and cotton; it depends on the market price on the date of delivery of the cotton and wheat, which will vary.

Mr. O'CONNOR. Will the gentleman yield?

Mr. BYRNS. Yes.

Mr. O'CONNOR. In the hearings before the Rules Committee of the House, the amount which it was said was necessary to take care of the liens on all these three items was never over $35,000,000. When the Senate has appropriated $40,000,000, it seems to me that the practical, sensible thing is to take it, so that we may get this relief bill. [Applause.] We are surely within the limit of the amount necessary, and if it is shown subsequently that that amount is not enough, some means can be devised to make up the deficit.

As to the "equity," I agree with the Senate, and I believe the vast majority of this House will likewise agree, because—

When we deal with the Farm Board we are dealing with an agency of the United States Government. To repay them the equity out of the Treasury is merely taking it out of one pocket and putting it into another. I appeal to this House that if we want this wheat and cotton distributed to relieve the unparalleled distress in our country we should yield to the Senate. Let us take a chance on the $40,000,000 being enough, and let us not stand on our pride when it is only taking the money out of the pocket of one Government agency and putting it into another, whether it be the Farm Board or any other agency of the Government. [Applause.]

Mr. BYRNS. I want to say this, that I have no personal pride in this matter. I am only one of 435 Members—we are on the eve of adjournment, and I felt it was only fair to come back and make a plain statement to the House, so that the House could vote intelligently on the question that is before it. If the House wishes to concur, as the gentleman from New York thinks it should, it has that privilege and right.

Mr. LAGUARDIA. Mr. Speaker, I wish to press my motion to recede and concur in the Senate amendment. I want to point out that the Senate amendment is a limitation on the appropriation, and it seems to me that it ought to be agreed to rather than our own bill, in which there is no limit.

Let me point out that this is not really an expenditure on the part of the Government. These two commodities, wheat and cotton, now the property of the Farm Board, are eating up their value in storage. Wheat is eating up its value in storage, cotton is eating up its value in storage; and as to the equity, I need not say much about that, for, as my colleague from New York has pointed out, the Farm Board is a Government agency, and after all Congress has control of its funds. If there are so many heavy liens on these commodities and the market price is so low, then the equity in these commodities is indeed very little.

Now, gentlemen, is it not better that we should take this wheat and cotton to the extent provided in the law and get them out of existence and into distribution to the needy people of the country rather than have them foreclosed and dumped on the market to further bring down prices? The entire quantity can be consumed without in the slightest glutting the market.

Preparations have been made to convert the wheat into food. We can do the same with cotton without in any way competing with a single pound of cotton, which would ordinarily be sold on the market, because it is to be converted into clothes for the needy people who would not otherwise be able to buy.

I appeal to the membership not to let this matter get into a deadlock when so many needy families depend on and are awaiting our action. [Applause.]

I plead with the gentleman to stand by us in this instance. It means actual direct relief to the whole country. Let us concur in the Senate amendment and put an end to it at this time. [Applause.] After all, the matter of reimbursement to the Farm Board or credit to it or the question of the particular fund from which the liens are paid are only matters of bookkeeping. It all comes from the same source. All funds in all departments at all times are under the control of Congress.

I want to inform the membership that the need of food and clothing is extreme and immediate. I urge definite and final action at this time. Please do not put this necessary relief in jeopardy. [Applause.]

Mr. BYRNS. Mr. Speaker, I yield five minutes to the gentleman from Indiana [Mr. WOOD].

Mr. WOOD of Indiana. Mr. Speaker, I take it there is no one here but who is in favor of this wheat and cotton being placed in the hands of the Red Cross for the purposes named in the authorization bill. I am in favor of it for two reasons: In the first place, because of the relief that it will bring to the poor and needy of this country; and, in the second place, because it is going to reduce the surplus of cotton and wheat now in the hands of the Farm Board.

Mr. CLARKE of New York. Mr. Speaker, will the gentleman yield?

Mr. WOOD of Indiana. I can not yield now. The amendment proposed by the Senate will be detrimental to the purposes for which the bill was designed. If the facts were correctly stated by the Farm Board, it would take today $45,000,000, at the current price, to make this distribution. What the current price may be throughout the three months it will be necessary to make this distribution, no one knows. I want to see the entire 500,000 bales of cotton disposed of and I want to see the entire 45,000,000 bushels of wheat likewise disposed of. They say there is no limitation in this measure. There is a limitation as to the amount. I wish the limitation were higher. There is a limitation as to the amount of wheat and the amount of cotton that may be disposed of. It is stated by our chairman that the members of the Senate conference committee stated that if we wanted to get this bill through we must recede. Is it not just as easy for the Senate to recede, after it has emasculated this bill, as it is for us to accept their emasculation? Are there any Senators on that side who want to take the responsibility on themselves of denying the Red Cross this munificence of the Government? If so, I

would like to see them take that responsibility. There is not one of them, in my opinion, who would do it.

Mr. Speaker, I have never been very much impressed with the friendship of any men to a measure who are putting amendments on it for the purpose of defeating it. The gentlemen who compose the conference and who say that they can not get this bill through unless we accept the amendments, are the pretended friends, but the enemies of this bill who put the amendments upon it to kill it. I think it is fair to the Farm Board, fair to the Government, fair to all those who want this wheat and cotton distributed, to send this measure back to the Senate as clean as we gave it to them, and let them take the responsibility if they so wish of destroying it. In doing that, we are taking no chances, because I am of the opinion that there is no one over there who wants to take the responsibility of defeating this measure. We ought to give this back as we offered it; we ought to do that for the purpose of taking the 45,000,000 bushels of wheat and the 500,000 bales of cotton out of the surplus wheat and cotton and if we do not, if we adopt these amendments, we are going to force the dumping of a large portion of the remainder of that surplus, which will be destructive to the market for wheat and cotton, and help destroy the very purpose we are trying to accomplish by reason of this action. I ask you gentlemen to send this back to the Senate and let them act on it. Let them take the responsibility of denying it. Then we could have a chance to act again.

The SPEAKER. The question is on the motion of the gentleman from New York to recede and concur in the Senate amendment.

The question was taken; and on a division (demanded by Mr. BYRNS) there were—ayes 187, noes 52.

So the motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Amendment No. 2: Page 1, line 12, strike out the letter "(B)."

Mr. BYRNS. Mr. Speaker, I ask unanimous consent that that amendment and the next one be considered together.

The SPEAKER. Is there objection?

There was no objection.

The SPEAKER. The Clerk will report the next amendment.

The Clerk read as follows:

Page 1, line 12, after the word "resolution," insert:

"*Provided*, That the equity provided for under subdivision (B) of the public resolution approved July 5, 1932, shall not be paid for out of said appropriation, and any balance remaining after paying the amounts authorized to be paid under subdivisions (A) and (C) of said resolution shall not be used by the Federal Farm Board, but shall remain in the Treasury of the United States; and

"*Provided further*, That the Federal Farm Board shall make a full and complete accounting of its acts and doings under this resolution and file the same with the Secretary of the Senate and the Clerk of the House of Representatives on or before December 8, 1932."

Mr. BYRNS. Mr. Speaker, I move that the House further insist on its disagreement to Senate amendments numbered 2 and 3.

Mr. BULWINKLE. Mr. Speaker, I offer the preferential motion to recede and concur in the Senate amendments numbered 2 and 3.

Mr. BYRNS. Mr. Speaker, may I take the time of the House for one brief moment? From the action of the House on the preceding amendment, I apprehend what the action will probably be on these two amendments. I wish we were not so near an adjournment, because otherwise the House could have time to give a little more attention to this particular amendment. I do not think this last amendment is entirely fair to the Farm Board.

This wheat and cotton were bought by the Farm Board with an appropriation which was made for that purpose, and at a time when it was endeavoring to stabilize the price of those two commodities. Now, what are we doing? The other day we passed a law in the House and in the Senate providing that the Farm Board should have the equity in this wheat and this cotton for its revolving fund. That law was debated in the House. It was debated in the Senate. It was passed and approved by the President of the United States with the idea in the minds of everyone who voted for it that this Farm Board should have the benefit of whatever equity might have been in that cotton and that wheat.

Now, here is an amendment of the Senate which undertakes to change that existing law and take from the Farm Board and from its revolving fund whatever equity may exist therein after the liens have been disposed of. There may not be any, because it may be—as we all hope it will be—that wheat and cotton will go up in price, and it may be necessary to pay a great deal more for the wheat and the cotton on the dates of delivery than it would be if it were purchased to-day. Therefore there may be no equity, but it does seem to me to be only a matter of justice to the Farm Board that it should have whatever equity exists in order that it may have that money for the revolving fund.

Mr. CHINDBLOM. Will the gentleman yield?

Mr. BYRNS. I yield.

Mr. CHINDBLOM. In case the Farm Board were to sell this wheat and cotton in the open market the equities would go into the revolving fund, would they not?

Mr. BYRNS. Undoubtedly. There is no question about that. If the Farm Board chose to go ahead, as it has a right to do, and sell this wheat and cotton, as the gentleman from Illinois says, in the open market, it would get everything over and above the liens for the revolving fund.

Mr. LAGUARDIA. But it would get nothing at the present market price.

Mr. BYRNS. Now, we are taking from the Farm Board that equity which it will get.

Mr. LAGUARDIA. Will the gentleman yield?

Mr. BYRNS. I yield.

Mr. LAGUARDIA. In addition to what the gentleman said, if the board were to sell at the open market to-day, considering the liens on these commodities, it would have no equity whatever. It would all be wiped out now.

Mr. BYRNS. Here is the situation with reference to this particular amendment: There are two lines of thought. One of them, like my distinguished friend the gentleman from New York, Mr. LAGUARDIA, and others, and we all agree with him as far as that is concerned with reference to the distribution of this wheat and this cotton to those who are destitute and who need it. The gentleman from New York, of course, is afraid that something may happen to defeat this resolution and therefore those who are in distress will be deprived of this relief. There is another line of thought in this House and in the body at the other end of the Capitol.

That comes from those gentlemen who are sincerely opposed to the Farm Board and who are entirely willing to see that Farm Board deprived of its revolving fund. I am not questioning their sincerity. I am not questioning the motives of those gentlemen. They are frank to say it, but I think if we are going to cripple the Farm Board or repeal it we should do it directly rather than by a bill which comes before the House and Senate in this manner.

Mr. O'CONNOR. Will the gentleman yield?

Mr. BYRNS. I yield.

Mr. O'CONNOR. At the risk of reiteration, the Farm Board is an agency of the United States Government. It was given this revolving fund. Now, there is an appropriation here to take from the Treasury of the United States money to pay for wheat and cotton to be distributed to the destitute of this country. Why, may I ask, should that money be paid to another agency of the Government? The gentleman from Tennessee is laying great stress upon that—the propriety of this very payment. If that is insisted upon, we will not get any bill, and I fail to see the importance attached to this theory of taking millions out of one pocket of the Government and putting it into another pocket. I therefore appeal to the gentleman from Tennessee to yield on that point.

Mr. SIMMONS. Will the gentleman yield?

Mr. BYRNS. I yield.

Mr. SIMMONS. If there are funds that go back to the revolving fund of the Farm Board, that money is available to loan to cooperative farm organizations?

Mr. BYRNS. Precisely.

Mr. SIMMONS. The Republican platform, if I read it correctly, as well as the Democratic platform, pledges both political parties to aid cooperative marketing in the United States. The cooperative marketing organizations in this country are asking for funds now to aid the farmers in marketing their own products, which the Farm Board can not supply because of the depletion of the revolving fund. If this money does not go into the revolving fund, it means that the Farm Board can not carry out the platform that the Democratic and Republican parties adopted at Chicago. You will be voting against your own platform and against cooperative marketing if you fail to support the gentleman from Tennessee.

Mr. BYRNS. The gentleman is entirely correct, and that is being done to the extent of the equity.

Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER. The question is on the motion of the gentleman from North Carolina [Mr. BULWINKLE] that the House recede and concur in the Senate amendments.

The question was taken; and on a division (demanded by Mr. BYRNS) there were—ayes 153, noes 57.

So the motion was agreed to.

A motion to reconsider the vote by which the motion was agreed to was laid on the table.

SPEAKER PRO TEMPORE

The SPEAKER. The Chair appoints the gentleman from Alabama, Mr. MCDUFFIE, Speaker pro tempore, which, the Chair is advised, is effective for three days, for the purpose of acting as Speaker pro tempore until you elect another.

Mr. RAINEY. Mr. Speaker, I move the adoption of a resolution, which I send to the Clerk's desk.

The Clerk read as follows:

House Resolution 294

Resolved, That the designation of Hon. JOHN MCDUFFIE, a Representative from the State of Alabama, as Speaker pro tempore be approved by the House, and that the President and the Senate be notified thereof.

The resolution was agreed to.

The SPEAKER. May the Chair say the reason for making this designation is that his wife has procured tickets for the 6.01 train this evening and he is going home with her? [Applause.]

AMENDMENT OF THE CONSTITUTION

The Chair lays before the House the following communication.

The Clerk read as follows:

STATE OF ILLINOIS,
OFFICE OF THE GOVERNOR,
Springfield, July 14, 1932.

The honorable the SPEAKER OF THE HOUSE,
Washington, D. C.

SIR: I have the honor to inclose herewith certified copy of House Joint Resolution No. 22, adopted by the house and concurred in by the senate at the first session of the Fifty-seventh General Assembly of the State of Illinois, ratifying the proposed amendment to the Constitution of the United States fixing the commencement of the terms of the President and Vice President and Members of Congress and fixing the time of assembling Congress.

Respectfully,

LOUIS L. EMMERSON, *Governor.*

ORDER OF BUSINESS

The SPEAKER. So far as the occupant of the chair knows, there is nothing more to do this afternoon until the Senate sends over the report on the home loan bank bill and the adjournment resolution.

The Chair is advised by Senator WATSON, whom he went to see about this matter, that the adjournment resolution in substance provides that when the two Houses adjourn to-day they shall adjourn sine die. This permits either House to stay in session until 12 o'clock to-night.

FEDERAL TAXATION AND AID TO STATES

Mr. BACON. Mr. Speaker, I have prepared some figures on Federal taxation. Several Members of Congress have asked me to put them in the RECORD. Therefore I ask unanimous consent to extend my remarks and include these figures.

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

There was no objection.

Mr. BACON. Mr. Speaker, under leave to print, I append a radio address to be given by me on Wednesday, July 20, 1932, on the subject of Federal Taxation and Aid to the States, as follows:

Through the courtesy of the American Taxpayers League, which is performing a signal service to the taxpayers of the country in making these broadcasts possible, it is my privilege to-night to discuss briefly a subject that I feel sure will be of interest to many of you. It is on a phase of taxation that may provoke warm argument. But in presenting it and leaving it for your reflection I do not want any of my listeners to feel that any interpretation of mine is meant to excite acrimonious controversy. I merely wish to recite a few facts.

It will perhaps startle you to learn that in the 1931 national fiscal year there were 14 States which did not pay a dollar of net taxes into the Federal Treasury. They contributed nothing, for instance, toward the salary of the President of the United States or to the salaries of their own Senators and Members of Congress. They contributed nothing toward even the smallest function of the National Government, not to mention such large items as national-debt reduction, national defense, administration of Federal justice, veterans' administration, and so forth. It is even more remarkable that on the other hand the Federal Government, acting as a paymaster's office, paid these same 14 States $24,000,000, or $1.78 for every head of their population. Furthermore, the figures for the 1932 fiscal year, which closed the other day, on June 30, show that three additional States, because of low tax collections in that year, have now been added to the 14 States which have deficiencies, making 17 States in the Union which do not pay net taxes into the Federal Treasury. In addition to the States I have mentioned there were 18 other States, representing 35,000,000 of population, which made net contributions of Federal taxes of only $146,000,000 plus, or slightly less than 7 per cent of the total net tax payments.

It follows, then, that the remaining States, 16 of them, or one-third of the Union, paid 93 per cent of the total net Federal tax bill, or a sum over $2,000,000,000.

We have the situation where two-thirds of the States, with 40 per cent of the population of this country, and represented in the Senate by 64 Senators, pay slightly less than 7 per cent of the total net tax payments into the Treasury, and where one-third of the States, with 60 per cent of the population, and represented in the Senate by but 32 Senators, pay a little more than 93 per cent of the total net tax bill.

What is back of this condition? Why are any sums paid into the State treasuries by the Federal Government? Why should any State receive back more than it pays? The answer is found in the existence of the policy known as Federal direct aid payments. Federal subsidies to the States! Only comparatively recently has this policy excited any particular study or concern. Kept within more or less reasonable and proper bounds for more than a century, this policy suddenly became stimulated and it has spread with astounding rapidity.

Will the influences of its further rapid growth on all manner of Federal expenditures, unless severely checked, result in the nationalization, in a practical way, of many of the remaining important reserved powers of the States? Or, through the operation of practical politics, will the result be the milking of the contributing States to pay the expenses of the noncontributing ones? This might be under the guise of nationalism or through a frank avowal that taxes shall work a redistribution of wealth. Can the Federal Treasury and the national credit stand this rapidly mounting cost of subsidies to the States? Will it not result in a huge, costly, and unwieldly Federal bureaucracy in Washington to administer these subsidies and aid to States?

Let me read part of a speech in the United States Senate, made less than a month ago by a Senator from a Southern State. He said:

"The sad part of the story is that the States have consented to their own ravishment. They have, in large measure, surrendered their sovereignty in consideration of gold appropriated out of the Federal Treasury, and in their eagerness to obtain it they have increased taxes and debts until they are deluged with evils which they at one time thought were blessings. They have tasted the fleshpots of the Nation's Capital; and year after year they return and, like Oliver Twist, they hold out their porridge bowls and ask for more."

What are these direct aids to the States to which the Senator refers in this quotation? The list covers a variety of subjects, running all the way from highway construction and building of forest trails to the endowment of agricultural colleges; from grants for vocational and rehabilitation work to fighting forest fires; and in the very recent past to such subjects as maternity and infancy care and social hygiene extension. Worthy and important as these functions be, are they proper activities of the

Federal Government, or should these necessary activities be solely carried on by the States? Do the projects on the Federal subsidy list meet any scientific test for their justification? It would be supposed that such a test would include elements like the following: Proportionate ability to pay; indisputable need for centralized control over chaotic and conflicting State management; absolute desirability of the establishment of minimum standards; and, more important still, the admission that the States have not the initiative or the ability to do the things for themselves.

In 1931 these cash grants to the States amounted to $219,000,000, and a much larger sum for the present fiscal year. In the last 10 years we have committed the National Government to State subsidy policies which during that time have cost the taxpayers well over $1,000,000,000. In the main these are continuing policies. Unhappily the end is not in sight. Witness the fact that in the past 10 years the taxpayers have paid for Federal cash subsidies to States more than the entire total of similar expenditures for the period of a century from the beginning of our Government. Unfortunately, I have not the time to give you complete figures from tables I have prepared showing the various relationships of the national tax dollar to the Federal subsidy dollar to States. But I will, however, give you a few brief examples: To receive a Federal subsidy dollar there is one Southern State that pays in gross Federal taxes only 37 cents for this dollar it receives; one in the Southwest that pays only 15 cents; and another in the Northwest that pays only 15 cents. As a contrast to these States paying no net taxes into the Treasury, there is a New England State that pays $22.08 for every Federal subsidy dollar it receives; a Central State that pays $23.08 for every Federal subsidy dollar; and a Pacific State that pays $15.01 for every Federal subsidy dollar.

To any reasonable citizen it must be self-evident that these figures are revealing. In the usual case, not one dollar of Federal funds is paid the States until they find a dollar from local or State taxes to match it. Aside from pledging subjection to Federal standards and regulations, and meekly bowing to national control of the subsidy function, thus foreclosing the exercise of their sovereign powers, they are forced to find additional local tax money from sources already impoverished, and thus perhaps impair their credit and unbalance their State budgets. Perhaps they could not have the subsidy function if they had to pay for it wholly themselves, and there is the tempetation to assess additional local levies and to go into further debt in order not to let the Federal subsidy dollar get away from them. How long can this be kept up without imposing greater strains on State credit structures? If they do not find the local matching dollar, the promise of the Federal gift dollar disappears. That the States should surrender their sovereign powers over local affairs without some solacing return from the Federal Treasury is unthinkable. The answer, then, is simply that the Federal subsidy bribe is too much to withstand. If the Federal Government offers aid or subsidies to the States, the help offered will be taken advantage of to the *n*th degree, whether it is actually needed or not.

Whether there should or should not be subsidies, or some scientific adjustment of such a policy, is debatable. But my fear and my concern are much more for the future even than for the present. Where will the present system, and more particularly its collateral influences, lead us in shaping our future fiscal policies in tax assessments?

Only to-day a great metropolitan daily in discussing the get-what-you-can from the Government habit, stated that the process of Federal pauperization of sovereign States was making its deadly way amongst us.

Substantial proposals are already being voiced in many quarters for the adoption of new bases of Federal subsidy payments for the express purpose of lightening State tax burdens; to remove all matching requirements in relation to present projects; to provide reimbursement subsidies for past State expenditures under a variety of appeals; to refund to the States part of the national revenues on a need basis; to grant subsidies for the equalization of economic opportunities—whatever that may mean. They sound fantastic, but I urge each and every taxpayer in this country to be forewarned and to seriously consider the problem.

No matter how inviting or expedient the process, we can not relieve curselves of taxes, for no matter what purpose, by simply changing the title of the tax item or the tax collecting agency. To attempt to shift the tax burdens from the States to the Federal Government, through a policy of subsidies or refunds, is futile. There is no tax relief in that direction. It would be like using a boomerang—its sure return would bring only graver and more plagueing problems, and we would wish that we had never tried the experiment.

The field for enlarged Federal subsidies is very fertile in possibility. If we give way, under one excuse or another, and permit the general plowing and sowing of that field with the national tax dollar, contributed by the taxpayers of this land, we will reap a harvest, but what will the harvest be? That is the question I now leave with you for your serious and patriotic consideration and thought.

Mr. BACON. Under special leave to print, I attach hereto tables showing the collection of Federal taxes from States for the fiscal year 1931, the amounts received by States as subsidies, the various relationships of the Federal tax dollar to the Federal subsidy dollar, and so forth. The table follows:

States	Population as of Apr. 1, 1930	Per cent of total population	Total internal-revenue collections	Percentage of total paid by each State	Total income-tax collections	Percentage of total paid by each State	Total direct Federal aid to States	Net amount revenue paid after deduction direct Federal aid	Percentage of direct aid to total tax for each State	Per capita internal-revenue payments	Per capita receipts of direct Federal aid	Percentage of direct aid received to total for all States	Percentage of net tax payments to total net tax payments	Cost of Federal-aid dollar to States
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)
Alabama	2,646,248	2.15	$4,614,078	0.19	$4,308,287	0.23	$4,519,850	$94,227	97.96	$1.74	$1.71	2.06	0.004	$1.02
Alaska	59,278	.05	135,475	.01	133,967	.01	89,357	46,118	65.96	2.29	1.51	.04	.002	1.51
Arizona	435,573	.35	2,262,619	.09	2,194,489	.12	4,055,059	−1,792,440	179.22	5.19	9.31	1.85	−.08	.55
Arkansas	1,854,482	1.51	1,913,706	.08	1,816,021	.10	5,169,972	−3,256,265	270.15	1.03	2.78	2.36	−.15	.37
California	5,677,251	4.61	113,066,013	4.65	93,581,718	5.03	7,529,962	105,536,050	6.66	19.92	1.33	3.44	4.78	15.01
Colorado	1,035,791	.84	15,667,230	.65	15,272,280	.82	4,288,745	11,378,484	27.37	15.13	4.14	1.96	.52	3.65
Connecticut	1,606,903	1.30	37,886,348	1.56	34,994,157	1.88	2,116,088	35,770,260	5.58	23.58	1.32	.97	1.62	17.90
Delaware	238,380	.19	34,041,865	1.40	32,877,127	1.77	1,134,714	32,907,151	3.33	142.80	4.76	.52	1.49	30.00
District of Columbia	486,869	.40	14,684,853	.61			140,213	14,544,640					.66	
Florida	1,468,211	1.19	11,507,028	.47	7,838,885	.42	2,669,058	8,837,970	23.19	7.84	1.82	1.22	.40	4.31
Georgia	2,908,506	2.36	6,712,840	.23	6,389,386	.34	6,799,955	−87,115	101.30	2.31	2.34	3.10	−.004	.98
Hawaii	368,336	.30	4,816,475	.20	4,382,130	.23	864,121	3,952,354	17.94	13.08	2.35	.39	.18	5.57
Idaho	445,032	.36	716,388	.03	684,846	.04	2,682,641	−1,966,252	374.47	1.61	6.03	1.22	−.09	.26
Illinois	7,630,654	6.19	190,787,171	7.86	173,675,584	9.34	8,265,926	182,521,245	4.33	25.00	1.08	3.77	8.26	23.08
Indiana	3,238,503	2.63	21,431,225	.88	19,095,104	1.03	3,649,542	17,781,683	17.03	6.62	1.13	1.67	.80	5.87
Iowa	2,470,939	2.01	10,395,971	.43	9,897,154	.53	6,393,104	4,002,867	61.50	4.21	2.59	2.92	.18	1.62
Kansas	1,880,999	1.53	13,690,543	.56	13,339,596	.72	5,835,090	7,855,452	42.58	7.28	3.10	2.66	.36	2.34
Kentucky	2,614,589	2.12	28,485,734	1.17	10,711,005	.58	4,852,396	23,633,338	17.03	10.89	1.86	2.21	1.07	5.87
Louisiana	2,101,593	1.71	8,898,995	.37	7,666,903	.41	2,372,931	6,526,064	26.67	4.23	1.13	1.08	.30	3.75
Maine	797,423	.65	6,749,853	.28	6,394,203	.34	2,030,253	4,719,599	30.08	8.46	2.55	.93	.21	3.32
Maryland	1,631,526	1.32	30,173,549	1.24	28,457,996	1.53	2,749,326	27,424,222	9.11	18.49	1.69	1.25	1.24	10.97
Massachusetts	4,249,614	3.45	88,495,515	3.64	83,431,473	4.49	4,007,488	84,488,027	4.53	20.82	.94	1.83	3.82	22.08
Michigan	4,842,325	3.93	107,364,630	4.42	102,367,974	5.50	4,984,165	102,380,464	4.64	22.17	1.03	2.27	4.63	21.54
Minnesota	2,563,953	2.08	23,283,386	.96	20,803,001	1.12	5,548,343	17,735,042	23.83	9.08	2.16	2.53	.80	4.19
Mississippi	2,009,821	1.63	1,568,796	.06	1,502,901	.08	1,924,692	−355,895	122.69	.78	.96	.88	−.02	.81
Missouri	3,629,367	2.95	51,736,695	2.13	40,906,842	2.20	7,338,385	44,398,309	14.18	14.25	2.02	3.35	2.01	7.05
Montana	537,606	.44	1,792,532	.07	1,690,246	.09	4,430,921	−2,638,389	247.19	3.33	8.23	2.02	−.12	.40
Nebraska	1,377,963	1.12	4,778,863	.20	4,572,597	.25	3,611,669	1,167,193	75.58	3.47	2.62	1.65	.05	1.32
Nevada	91,058	.07	1,346,061	.06	1,298,180	.07	1,808,941	−462,879	134.38	14.78	19.87	.82	−.02	.74
New Hampshire	465,293	.38	3,555,177	.15	2,773,611	.15	1,190,117	2,365,059	33.48	7.64	2.56	.54	.11	2.98
New Jersey	4,041,334	3.28	97,600,650	4.02	71,657,935	3.85	3,512,660	94,087,989	3.60	24.15	.87	1.60	4.26	27.78
New Mexico	423,317	.34	689,925	.03	608,380	.03	4,567,607	−3,877,681	662.04	1.63	10.79	2.08	−.18	.15
New York	12,588,066	10.22	672,171,400	27.68	614,960,831	33.06	9,001,772	663,169,628	1.34	53.39	.72	4.11	30.02	74.67
North Carolina	3,170,276	2.57	262,849,306	10.83	13,720,308	.74	5,389,955	257,459,351	2.05	82.91	1.70	2.46	11.65	48.76
North Dakota	680,845	.55	365,232	.02	351,632	.02	2,233,879	−1,918,646	625.32	.54	3.35	1.04	−.09	.15
Ohio	6,646,697	5.39	112,931,178	4.65	96,002,613	5.16	9,794,035	103,137,143	8.67	16.99	1.47	4.47	4.67	11.53
Oklahoma	2,396,040	1.95	14,922,127	.61	14,657,487	.79	6,816,913	8,105,214	45.68	6.23	2.85	3.11	.37	2.18
Oregon	953,786	.77	4,432,215	.18	4,110,735	.22	4,901,680	−469,464	110.59	4.65	5.14	2.24	−.02	.90
Pennsylvania	9,631,350	7.82	190,262,184	7.84	174,242,933	9.37	10,624,275	179,637,908	5.58	19.75	1.10	4.85	8.13	17.90
Rhode Island	687,497	.56	11,281,238	.46	10,856,222	.58	1,554,509	9,726,729	13.70	16.41	2.26	.71	.44	7.25
South Carolina	1,738,765	1.41	1,977,960	.08	1,807,156	.10	4,226,209	−2,248,249	213.66	1.14	2.43	1.93	−.10	.46
South Dakota	692,849	.56	749,687	.03	719,403	.04	2,922,875	−2,173,188	389.88	1.08	4.22	1.33	−.10	.25
Tennessee	2,616,556	2.12	13,132,239	.54	9,284,228	.50	5,751,188	7,381,111	43.79	5.01	2.20	2.62	.33	2.28
Texas	5,824,715	4.73	32,799,807	1.35	31,604,743	1.70	11,353,739	21,446,037	34.62	5.63	1.95	5.18	.97	2.88

States	Population as of Apr. 1, 1930	Per cent of total population	Total internal revenue collections	Percentage of total paid by each State	Total income-tax collections	Percentage of total paid by each State	Total direct Federal aid to States	Net amount revenue paid after deduction direct Federal aid	Percentage of direct aid to total tax for each State	Per capita internal revenue payments	Per capita receipts of direct Federal aid	Percentage of direct aid received to total for all States	Percentage of net tax payments to total net tax payments	Cost of Federal-aid dollar to States
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)
Utah	507,847	0.41	$2,380,720	0.10	$2,321,787	0.12	$2,382,942	−$2,221	100.09	$4.68	$4.69	1.09	−0.0001	$0.99
Vermont	359,611	.29	1,751,011	.07	1,700,259	.09	1,240,019	510,991	70.78	4.87	3.45	.57	.02	1.41
Virginia	2,421,851	1.97	113,761,587	4.69	19,206,733	1.03	4,736,889	109,024,697	4.16	46.97	1.96	2.16	4.94	24.01
Washington	1,563,396	1.27	11,366,045	.47	10,629,177	.57	3,675,891	7,690,153	32.34	7.27	2.35	1.68	.35	3.09
West Virginia	1,729,205	1.40	11,151,400	.46	8,669,578	.47	1,835,197	9,316,203	16.46	6.45	1.06	.84	.42	6.07
Wisconsin	2,939,006	2.39	28,163,949	1.16	26,584,218	1.43	5,894,782	22,269,167	20.93	9.58	2.01	2.69	1.01	4.77
Wyoming	225,565	.18	596,603	.02	570,295	.03	3,388,421	−2,791,817	567.95	2.64	15.02	1.55	−.13	.17
Philippines			332,587	.01			241	332,346						
Total	123,202,660	100.00	2,428,228,754	100.00	1,860,040,497	100.00	219,162,574	[1] 2,209,066,180				100.00	[2] 101.07	

[1] Includes adjustment for direct aid to Puerto Rico.

[2] Excess per cent represents amount of deficiencies to States or $24,040,501.

RECESS

The SPEAKER. Is there objection that the House stand in recess subject to the call of the Chair?

Mr. O'CONNOR. Mr. Speaker, I object.

THE INCOME TAX

Mr. KELLER. Mr. Speaker, I have prepared an address on the subject of the income tax and other matters. I ask unanimous consent to place this in the RECORD in an extension of remarks.

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

There was no objection.

Mr. KELLER. Mr. Speaker, it may be remembered that at the opening of the present session of Congress I, a new Member, offered a resolution calling for a full investigation of the causes which had led to this unprecedented depression, with its nation-wide unemployment, bankruptcy, poverty, destitution, and misery. It was perfectly evident that it was no accident that had brought this financial and social chaos. It had certain understandable causes. Quite as certainly it took place as the result of human action. It could have been prevented by human action intelligently directed. It can be cured by human intelligence. The coming of other depressions can be prevented.

It seemed to me futile to attempt to cure such a condition without first determining the causes which led to that condition. In a body such as this it is not only necessary that the causes of a national disaster shall be known, but that they must be so thoroughly understood as to permit of a general meeting of minds as to the remedies to be applied. It seemed to me, as it does to-day, that nothing less than an investigation of the widest scope and the most searching intensity could develop the facts sufficiently to inform the Congress and the country just why our great, opulent, thriving America should fall so suddenly into such economic and social chaos.

But at that time the representatives of the administration were telling us such tales of impending disaster in securing the $2,000,000,000 for the Reconstruction Finance Corporation that the leaders of my party thought it unwise to take any chance at precipitating any greater disaster upon our country. So we left the way open to the Senate to take action on a much narrower scale, true enough, but resulting in an investigation that is destined to rock the foundations of many institutions which we have regarded so indulgently in the past.

This Senate Committee on Banking and Currency has already pointed the way toward one of the causes which led to this devastating panic. It is rendering a service of historic import. It will increase in importance as the months roll along. The men whose courage and consideration of the rights of the American people are pushing the investigation of the stock market are rendering a great service. They will be kindly remembered for it.

Because of the studies I had made along this same line I was from the first deeply interested in the testimony being brought out by that committee. I kept tab on it and am here to-day to lay before my colleagues three matters of primary importance, every one of which has been brought out very clearly in the evidence before the Senate committee. I do not offer the evidence as a part of my address because it is already on the way toward publication in full as a public document. However, I offer nothing that is not clearly brought out and well proven before this Senate committee.

More than a year ago I undertook a study of the income-tax problem. The first thing I ran against was a stone wall around all income-tax returns—in the form of a law making the whole matter entirely secret. A United States Congressman, who must know the subject from every angle if he is to legislate rationally on the subject, is denied all knowledge of the most important matter in our revenue system. I could not but feel that such secrecy must depend on a very powerful reason. The reason remained a secret until the Senate Committee on Banking and Currency, of whom Senator NORBECK is chairman, began its investigations under the authority granted by Senate Resolution No. 84.

As will be seen, there was only one subject under investigation—that of investigating the practices in the stock exchanges. But in carrying out that object, incidentally, three other matters of tremendous import came out in the evidence:

First. That the Government has been defrauded out of a large amount of income taxes, part of which at least may still be recoverable.

Second. That a vast deal of plain swindling has been carried on in the process of taking from the people $50,000,000,000 of their savings from 1925 to 1932, a part of which at least may still be recoverable under existing law by the victims from those who swindled them.

Third. It appears that under what is supposed to be "within the law" American individuals and corporations have established and now maintain numerous Canadian corporations purely for the purpose of defrauding the American Government out of the income taxes due to it under our law.

I have, therefore, introduced three resolutions—one directed to the Attorney General and two to the Secretary of the Treasury covering the three statements and directing each of them to take steps to protect the Government's interests in these matters and to render such service to the victims of the robberies as may be incidental in their duties of securing the Government's rights in these matters.

I am not standing here, guessing at any of these three charges. The evidence is all of record in the hands of the Norbeck committee, bearing out fully every statement I make.

I now take up and submit to you the statement of fact in proof of the first charge that the Government has been defrauded out of large amounts of income taxes, part of which at least is still recoverable. In support of that I cite the following facts:

The three outstanding instances which were thus encountered without at all being sought for were as follows:

First. The sale of the stock of Frosted Foods (Inc.) to Goldman, Sachs Trading Corporation and Postum (Inc.) for $22,000,000 shows that $20,000,000 of this consideration was

paid by a check payable to Frosted Foods which was not deposited by it but was indorsed to a Canadian corporation set up for that purpose, which in turn deposited this money to J. P. Morgan & Co. as agents for still a third corporation set up in Delaware for the purpose of putting through this transaction. The profit involved in this transaction was over $20,000,000. No income tax was paid to the United States Government, and it is an inescapable conclusion that this subtle process, if subtle it be, was used for the purpose of depriving our Government of income taxes which, as figured on the lowest basis, that of corporation tax, would be about two and a half million dollars. It is quite likely that a further investigation of this transaction will disclose that the individuals involved as ultimate recipients of these profits have avoided the payment of even larger taxes than this amount.

Second. The investigation of the operations of Cyrus S. Eaton and the companies which he controlled, shows that it was a sale of securities by a Canadian corporation called Foreign Utilities, owned and controlled by Mr. Eaton, to Continental Shares, a Maryland corporation, for $57,000,000. The securities involved in this sale were shipped from New York and Cleveland, where they were held as collateral by various banks, to St. Johns, New Brunswick, for the purpose of having a notary public attest the fact that he saw them delivered there, and were immediately returned to New York and Cleveland. The letters showing this whole transaction, its object, aim, intent, and methods of carrying it out are on file with the Norbeck committee, and the evidence is complete. The expenses of shipping these securities back and forth was shown to have been over $34,000. The Senate committee was unable to ascertain what the total profit on this sale was, but was able to establish the fact that the profit on one item alone, United Light & Power stocks, was $17,000,000. On the lowest tax basis, the corporation rate, the tax to this Government would have been over $2,000,000.

Third. The investigation of the operation of Fox Film Co., and Fox Theaters showed that in one instance alone William Fox, the president of the Fox Theater Co., had charged to the company a loss of $3,300,000, which he claimed he incurred on behalf of the company. But in his own personal-income tax return he claimed credit for this loss and deducted it. Without knowing what surtax bracket Mr. Fox's income fell in, in that year, it is impossible to state exactly how much the tax fraud was, but it well may have been at least a million dollars.

In these three instances, which were casually encountered and not looked for, the United States Government was deprived of at least five and a half million dollars, and there is no reason why the Government should not proceed to collect this income now. This investigation has, therefore, accidentally uncovered five and a half million dollars in three transactions. It is unlikely that this covers any large part of 1 per cent of the income-tax evasions by corporations not yet investigated. If this is a fair conclusion, then we stand to lose half a billion dollars in clearly fradulent transactions of what is called big business. And we need this money.

I now state outside of the testimony referred to, that every accountant and investigator knows that in the selling of one business to another as in making combinations, that it has been and now is the common practice to cheat the Government out of the income on the profits made by the company or individuals selling the business. And it is equally well known that little or no attempt has been made to uncover these frauds and compel payment of the money due the people under the law.

I now revert to the second charge, and the evidence that a vast deal of plain swindling has been carried on in the process of taking from the people fifty billions of their savings from 1925 to 1932, a part of which, at least, may still be recoverable under existing law by the victims from those who swindled them.

The Norbeck committee has been deluged by complaints of stockholders of the companies which were investigated and inquiries as to how these people can recover the moneys of which they were defrauded. It is not, of course, the function of the committee to engage in any such matters. There is, however, every reason why the Attorney General of the United States and the prosecuting officers of New York State should set about the prosecutions clearly indicated by the testimony now available and hereafter to be made available by this committee. This would not only serve to prosecute the criminals who have robbed the people but would help the victims of these robbers to secure judgments against them for the return of their money. It would take several pages merely to catalogue the things which have been presented in 2,500 pages of testimony, which indicate clearly conspiracy to defraud, criminal use of the mails, breach of trust by agents and fiduciaries, and other criminal and civil violations of stockholders' rights under the laws of the United States and the respective States.

For instance, one market racketeer testified that in a period of two years he had operated in 250 stocks in conjunction with many brokerage houses, in which he had bribed newspaper writers, and how other unlawful methods of defrauding the people in the doing of which he was acting as agent for corporations and for brokers who were agents of customers. As a matter of fact, the testimony presented to the Committee on Banking and Currency covers the entire country, involves millions of stockholders, hundreds of corporations, and dozens of brokerage houses and banking firms. It discloses the dissemination of false information and false earning statements by the directors of corporations to induce the purchase and to stimulate the sale of securities by stockholders to the enrichment of the officers of the corporations. The testimony in relation to Warner Bros., Fox Film and Fox Theaters, Continental Shares of Cyrus Eaton, Anaconda Copper, and many others is entirely conclusive. The evidence in all these is perfectly clear that fraud was committed. The whole thing, indeed, is one grand conspiracy in which many of the very rich men of this country and their brokers, salesmen, agents, and publicity agents conspired to defraud and did defraud the people of this country not out of a few millions but out of many billions of their hard-earned cash.

The general law is that where people are swindled or defrauded they may recover a judgment against those who defraud them of their money. On this subject the law is plain and sufficient. The evidence in the cases here cited shows the abuses to be so flagrant that if sufficient cooperation between those who were defrauded could be attained, with strong, courageous, and persistent lawyers, there should be little question of securing judgment against these conspirators.

No other remedy would so fit the case as a recovery from the thieves who through chicanery and fraud have robbed the American people of $50,000,000,000 of their hard-earned money. If we make those who rob people pay them back it will go a long way toward preventing robbery hereafter.

I now come to the third subject—it appears that under what is supposed to be "within the law" American individuals and corporations have established and now maintain numerous Canadian corporations purely for the purpose of defrauding the American Government out of income taxes due it.

The evidence in the Cyrus Eaton case above referred to shows clearly the legal fiction depended on to defraud the United States Government out of the income tax due it. But a look backward to the Teapot Dome scandal shows the method of using Canadian corporations already existing at that time. Since that time the method has largely been perfected and apparently used to an extent little apprehended, if at all known, by the American people.

I find it necessary here to again go only very partially outside the evidence for stating specifically just how the fraud is perpetrated within the law. I do this without hesitation because the matter is so well understood in circles of "high finance" as to be quite common property. It is also clearly indicated in the testimony. Here is how it is done: John Doe, an American citizen, sets up a Canadian corpora-

tion in which he owns all the stock, and transfers to it various stocks and the title to various properties. When he sells such stocks or properties the profit legally is not supposed his, but that of the Canadian corporation. If he personally took that profit from the Canadian corporation by means of dividends he would have to pay income tax; but instead of doing that he arranges for the Canadian corporation to lend the money represented by the profits to an American corporation in which he also owns all the stock, and in turn has the American corporation lend the money to him.

The result of this procedure is that while the Canadian corporation has legally incurred an income tax to the Canadian Government, it has no cash or property in Canada which can be reached by the Canadian Government. It has merely a set of books there. It is even impossible for the Canadian Government to get to the American corporation, because the American corporation has no cash or property, having in turn loaned it to the American citizen, John Doe himself, the owner of both the swindling corporations. The American citizen legally owes nothing to the Canadian corporation so that the Canadian Government has no legal means of proceeding against him. It is, of course, impossible to state with exactitude how much money annually has been taken from the American Government by this system of buying and selling the stocks and properties in the United States through Canadian corporations, but accountants who have been kept busy in handling these transactions have ventured $250,000,000 a year as a reasonable estimate. In the past 10 years we have, through this method alone, lost sufficient to balance our decrepit Budget, and enough is here concealed in America to provide a surplus.

This system is well known to lawyers and accountants. In fact, so many American accountants engaged in this business can be found in the hotels of Canadian cities, that it is an inescapable conclusion that it has long ago come to the attention of the Treasury officials, and that they have known of it for many years. It would be interesting to know whether the large companies in which Mr. Mellon is interested have engaged in this same practice. This seems to raise the question whether the big fight made in passing the recently enacted revenue bill to excuse American-owned foreign corporations from paying their proportionate share of their earnings into the United States Treasury may not have been a fight to protect the American tax-dodging corporations and individuals from being compelled to pay the taxes due on the profits of corporations earned here in the United States—not on the actual earnings of American-owned corporations doing profitable business in foreign countries as Congress was told. It seems to be a fact that these tax-evading corporations are also being formed in other countries.

It is indeed a common report among accountants that in making sales of property various and sundry means along this same line are almost invariably used to defraud the Government of the income tax due it. Whether these things are done "within the law" or not is a question that ought to be solved. If it is not within the law, of course, the Government should certainly proceed to the collection of these taxes. If it is "within the law" as at present written, clearly the law ought to be changed so as to prevent these frauds.

This practice has continued some years, and has, of course, attracted the attention of Canadian officials. One of the Crown prosecutors of one of the Canadian Provinces has complained that these Canadian corporations neither pay the United States nor Canada. He suggested a treaty arrangement covering the case. But it occurs to me that we do not need the cooperation of any other government if we can get the active aggressive cooperation of our own income-tax department.

I had watched the income-tax returns for a good many years. I was unable to understand why the years of 1928 and 1929—wonder years for great profits in big business—had failed to show the very large increases which conditions seemed to warrant. I could not make heads or tails of it. But in view of the frauds already brought out before the Norbeck committee, the reason seems clear.

It now appears that we are poor because we have a poor tax-collecting department. There is abundant money available to balance our Budget if we collect it.

O'CONNOR BEER BILL

Mr. SCHAFER. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill H. R. 10017, the O'Connor beer bill. [Laughter and applause.]

RECESS

Mr. RAINEY. Mr. Speaker, I move the House stand in recess subject to the call of the Chair.

The question was taken; and on a division (demanded by Mr. SCHAFER) there were—ayes 182, noes 41.

So the motion was agreed to.

EXPLANATION

The SPEAKER. The Chair asks unanimous consent that the gentlewoman from Arkansas [Mrs. WINGO] may address the House. Is there objection?

There was no objection.

Mrs. WINGO. Mr. Speaker, I merely desire to ask permission to make a statement in the CONGRESSIONAL RECORD. On yesterday I was unavoidably absent, and when the vote came on the conference report on the relief bill I was not able to cast my vote. I thought I had arranged for a pair, but upon coming back to the House to-day I found that apparently all of the absentees were in favor of the relief bill. Therefore, a pair for me could not be arranged, and I am recorded as not voting. Had I been present, I would have voted, as I have voted all the way through, in favor of the relief bill. [Applause.]

RECESS

Accordingly (at 4 o'clock and 8 minutes p. m) the House stood in recess, subject to the call of the Chair.

AFTER RECESS

The recess having expired, at 5.06 o'clock p. m., the House was called to order by the Speaker.

FURTHER MESSAGE FROM THE SENATE

A further message from the Senate by Mr. Craven, its principal clerk, announced that the Senate still further insists on its amendments Nos. 46 and 47 to the bill (H. R. 12280) entitled "An act to create Federal home loan banks, to provide for the supervision thereof, and for other purposes," disagreed to by the House; asks a still further conference with the House on the disagreeing votes of the two Houses thereon and appoints Mr. NORBECK, Mr. WATSON, and Mr. FLETCHER to be the conferees on the part of the Senate.

The message also announced that the Senate agrees to the amendments of the House to the bill (S. 4712) entitled "An act authorizing the sale of certain lands no longer required for public purposes in the District of Columbia."

The message also announced that the Senate agrees to the reports of the committees of conference on the disagreeing votes of the two Houses on the amendments of the House to bills of the Senate of the following titles:

S. 811. An act for the relief of Sophia A. Beers; and

S. 2437. An act for the relief of the estate of Annie Lee Edgecumbe, deceased.

ENROLLED BILL AND JOINT RESOLUTION SIGNED

Mr. PARSONS, from the Committee on Enrolled Bills, reported that that committee had examined and found truly enrolled a bill and joint resolution of the House of the following titles, which were thereupon signed by the Speaker:

H. R. 9642, An act to relieve destitution, to broaden the lending powers of the Reconstruction Finance Corporation, and to create employment by providing for and expediting the public-works program; and

H. J. Res. 461, Joint resolution making appropriations to enable the Federal Farm Board to distribute Government-owned wheat and cotton to the American National Red Cross and other organizations for relief of distress.

HOME LOAN BANK BILL

Mr. STEAGALL. Mr. Speaker, I move that the House further insist on its disagreement to Senate amendments No. 46 and No. 47 to the bill (H. R. 12280) to create Federal home-loan banks, to provide for the supervision thereof, and for other purposes.

The SPEAKER. The gentleman from Alabama moves that the House further insist on its disagreement to Senate amendments No. 46 and No. 47.

Mr. STEAGALL. Mr. Speaker, I move the previous question on the motion.

Mr. RAMSEYER. Mr. Speaker, I make a point of order there is no conference report before the House. There was a message from the Senate advising the House that the Senate further insisted on its amendment, and the question now before us is whether this bill is to go to conference, and the only way it can be sent to conference is by unanimous consent.

The SPEAKER. This is a privileged motion.

Mr. RAMSEYER. It would be privileged if we had the conference report before us, but we have no conference report before us.

The SPEAKER. This is a House bill with Senate amendments on which there is a disagreement between the two Houses, and it has been uniformly held, so the parliamentarian advises me, that this is a privileged motion.

Mr. RAMSEYER. Mr. Speaker, I submit a preferential motion.

I move that the House recede and concur in Senate amendments No. 46 and No. 47.

The SPEAKER. The gentleman from Iowa moves that the House recede and concur in Senate amendments No. 46 and No. 47.

Mr. STEAGALL. Mr. Speaker, I move the previous question.

The SPEAKER. The question is on ordering the previous question on the motion of the gentleman from Iowa.

The question was taken; and on a division (demanded by Mr. RAMSEYER), there were—ayes 163, noes 26.

So the previous question was ordered.

Mr. RAMSEYER. Mr. Speaker, I ask unanimous consent, notwithstanding the ordering of the previous question, that I may address the House for five minutes.

Mr. STEAGALL, Mr. RAMSPECK, and Mr. SCHAFER objected.

The SPEAKER. The question is on the motion of the gentleman from Iowa [Mr. RAMSEYER] to recede and concur in the Senate amendments.

Mr. STEAGALL. On that motion, Mr. Speaker, I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 102, nays 158, not voting 170, as follows:

[Roll No. 126]

YEAS—102

Allgood	Doughton	Keller	Person
Amlie	Dowell	Kelly, Pa.	Pettengill
Andresen	Doxey	Kniffin	Polk
Ayres	French	Kopp	Ramseyer
Baldrige	Garber	Kvale	Rankin
Barton	Gilchrist	LaGuardia	Robinson
Bland	Gregory	Lambertson	Sanders, Tex.
Boileau	Hall, Ill.	Lambeth	Schneider
Brand, Ohio	Harlan	Lamneck	Shallenberger
Briggs	Hart	Lankford, Ga.	Simmons
Burch	Haugen	Larrabee	Smith, Idaho
Burtness	Hill, Wash.	Leavitt	Smith, Va.
Butler	Hoch	Lichtenwalner	Spence
Campbell, Iowa	Hogg, Ind.	Ludlow	Strong, Kans.
Carden	Hope	McGugin	Swing
Carter, Wyo.	Hopkins	Maas	Taylor, Colo.
Cartwright	Hornor	Major	Thurston
Christgau	Horr	Manlove	Vinson, Ky.
Christopherson	Howard	Martin, Oreg.	Weaver
Clague	James	Michener	West
Clark, N. C.	Jeffers	Montet	Whittington
Collier	Johnson, Mo.	Moore, Ky.	Williamson
Cross	Johnson, Okla.	Morehead	Wilson
DeRouen	Johnson, Tex.	Norton, Nebr.	Withrow
Dies	Jones	Oliver, Ala.	
Disney	Kading	Overton	

NAYS—158

Adkins	Delaney	Kurtz	Rich
Andrews, N. Y.	De Priest	Lankford, Va.	Rogers, Mass.
Arnold	Douglass, Mass.	Lehlbach	Sanders, N. Y.
Bachmann	Doutrich	Lonergan	Schafer
Bacon	Driver	Loofbourow	Seger
Beam	Dyer	Lozier	Seiberling
Black	Eaton, Colo.	Luce	Shott
Bloom	Eaton, N. J.	McClintock, Ohio	Snell
Boehne	Englebright	McCormack	Snow
Boland	Erk	McDuffie	Stafford
Bolton	Fiesinger	McFadden	Stalker
Bowman	Flannagan	McLaughlin	Steagall
Britten	Foss	McSwain	Stevenson
Brumm	Garrett	Magrady	Stewart
Buckbee	Gavagan	Mapes	Stokes
Bulwinkle	Goldsborough	Martin, Mass.	Strong, Pa.
Cable	Goss	Mead	Stull
Campbell, Pa.	Green	Millard	Sutphin
Cannon	Hadley	Milligan	Sweeney
Chavez	Haines	Mobley	Swick
Chindblom	Hall, N. Dak.	Moore, Ohio	Taber
Clancy	Hancock, N. Y.	Mouser	Temple
Clarke, N. Y.	Hardy	O'Connor	Tierney
Cochran, Mo.	Hawley	Owen	Tilson
Cochran, Pa.	Hess	Palmisano	Timberlake
Cole, Md.	Hogg, W. Va.	Parker, Ga.	Tinkham
Collins	Holaday	Parker, N. Y.	Treadway
Condon	Hollister	Parsons	Wason
Connery	Holmes	Patman	Watson
Cooke	Hooper	Patterson	White
Cooper, Ohio	Huddleston	Pittenger	Wigglesworth
Cooper, Tenn.	Jacobsen	Prall	Williams, Mo.
Coyle	Jenkins	Pratt, Harcourt J.	Wingo
Crosser	Johnson, S. Dak.	Pratt, Ruth	Wolcott
Crowe	Johnson, Wash.	Purnell	Wolverton
Crowther	Kahn	Rainey	Wood, Ga.
Culkin	Kelly, Ill.	Ramspeck	Wyant
Curry	Kemp	Ransley	Yon
Dallinger	Kinzer	Reed, N. Y.	
Darrow	Knutson	Reilly	

NOT VOTING—170

Abernethy	Dickstein	Hull, William E.	Reid, Ill.
Aldrich	Dieterich	Igoe	Rogers, N. H.
Allen	Dominick	Johnson, Ill.	Romjue
Almon	Douglas, Ariz.	Karch	Rudd
Andrew, Mass.	Drane	Kendall	Sabath
Arentz	Drewry	Kennedy	Sandlin
Auf der Heide	Ellzey	Kerr	Schuetz
Bacharach	Estep	Ketcham	Selvig
Bankhead	Evans, Calif.	Kleberg	Shannon
Barbour	Evans, Mont.	Kunz	Shreve
Beck	Fernandez	Lanham	Sinclair
Beedy	Finley	Larsen	Sirovich
Blanton	Fish	Lea	Smith, W. Va.
Bohn	Fishburne	Lewis	Somers, N. Y.
Boylan	Fitzpatrick	Lindsay	Sparks
Brand, Ga.	Frear	Linthicum	Sullivan, N. Y.
Browning	Free	Lovette	Sullivan, Pa.
Brunner	Freeman	McClintic, Okla.	Summers, Wash.
Buchanan	Fulbright	McKeown	Sumners, Tex.
Burdick	Fuller	McLeod	Swank
Busby	Fulmer	McMillan	Swanson
Byrns	Gambrill	McReynolds	Tarver
Canfield	Gasque	Maloney	Taylor, Tenn.
Carley	Gibson	Mansfield	Thatcher
Carter, Calif.	Gifford	May	Thomason
Cary	Gilbert	Miller	Tucker
Cavicchia	Gillen	Mitchell	Turpin
Celler	Glover	Montague	Underhill
Chapman	Golder	Murphy	Underwood
Chase	Goodwin	Nelson, Me.	Vinson, Ga.
Chiperfield	Granfield	Nelson, Mo.	Warren
Cole, Iowa	Greenwood	Nelson, Wis.	Weeks
Colton	Griffin	Niedringhaus	Welch
Connolly	Griswold	Nolan	Whitley
Corning	Guyer	Norton, N. J.	Williams, Tex.
Cox	Hall, Miss.	Oliver, N. Y.	Wolfenden
Crail	Hancock, N. C.	Parks	Wood, Ind.
Crisp	Hare	Partridge	Woodruff
Crump	Hartley	Peavey	Woodrum
Cullen	Hastings	Perkins	Wright
Davenport	Hill, Ala.	Pou	Yates
Davis	Houston, Del.	Ragon	
Dickinson	Hull, Morton D.	Rayburn	

So the motion to recede and concur in the Senate amendments was rejected.

The Clerk announced the following additional pairs:

On this vote:

Mr. Swanson (for) with Mr. Niedringhaus (against).

Until further notice:

Mr. Byrns with Mr. Wood of Indiana.
Mr. Cullen with Mr. Carter of California.
Mr. Granfield with Mr. Gibson.
Mr. Kerr with Mr. McLeod.
Mr. Lindsay with Mr. Beedy.
Mr. Schuetz with Mr. Murphy.
Mr. Wright with Mr. Houston.

Mr. Underwood with Mr. Barbour.
Mr. Pou with Mr. Connolly.
Mr. Warren with Mr. Allen.
Mr. Rudd with Mr. Cole of Iowa.
Mr. Griswold with Mr. Davenport.
Mr. Linthicum with Mr. Cavicchia.
Mr. Browning with Mr. Evans of California.
Mr. Auf der Heide with Mr. Colton.
Mr. Carley with Mr. Hartley.
Mr. Drewry with Mr. Nolan.
Mr. Gambrill with Mr. Shreve.
Mr. Sumners of Texas with Mr. Summers of Washington.
Mr. Celler with Mr. Morton D. Hull.
Mr. Brunner with Mr. Estep.
Mr. Almon with Mr. Burdick.
Mr. Chapman with Mr. Selvig.
Mr. Fitzpatrick with Mr. Woodruff.
Mr. Hancock of North Carolina with Mr. Sinclair.
Mr. Somers of New York with Mr. Chase.
Mr. Hare with Mr. William E. Hull.
Mr. Tucker with Mr. Crail.

Mr. STEWART. Mr. Speaker, my colleague the gentlewoman from New Jersey, Mrs. NORTON, is absent on account of illness. If present, she would vote "no."

Mr. McCORMACK. Mr. Speaker, the gentleman from New Hampshire, Mr. ROGERS, is unavoidably absent. If present, he would vote "no."

The SPEAKER pro tempore (Mr. McDUFFIE). On this vote the yeas are 102 and the nays 158, so the motion to recede and concur is rejected, which is tantamount to a further insistence by the House on its disagreement to the Senate amendments.

A motion to reconsider was laid on the table.

RECESS

Mr. RAINEY. Mr. Speaker, I move that the House stand in recess subject to the call of the Chair, the bells to be rung 10 minutes in advance.

The motion was agreed to.

Accordingly (at 5.45 o'clock p. m.) the House stood in recess to meet at the call of the Chair.

AFTER THE RECESS

The recess having expired (at 7 o'clock and 40 minutes p. m.), the House was called to order by Mr. McDUFFIE, Speaker pro tempore.

FURTHER MESSAGE FROM THE SENATE

A further message from the Senate by Mr. Craven, its principal clerk, announced that the Senate still further insists upon its amendments Nos. 46 and 47 to the bill (H. R. 12280) entitled "An act to create Federal home-loan banks, to provide for the supervision thereof, and for other purposes."

MESSAGE FROM THE PRESIDENT

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

On July 12, 1932:

H. J. Res. 336. Joint resolution construing section 503 (b) of the tariff act of 1930; and

H. R. 12360. An act to authorize the Secretary of the Treasury to enter into a contract to purchase the parcel of land and the building known as the Grand Central Station Post Office and Office Building, No. 452 Lexington Avenue, in the city, county, and State of New York, for postoffice and other governmental purposes, and to pay the purchase price therefor on or prior to June 30, 1937.

On July 13, 1932:

H. R. 2704. An act for the relief of Charles Lamkin; and

H. R. 12251. An act to provide for the conveyance of the Portage Entry Lighthouse Reservation and buildings to the State of Michigan for public-park purposes.

On July 14, 1932:

H. R. 1260. An act for the relief of James E. Fraser;

H. R. 2010. An act for the relief of Malcolm Allen;

H. R. 2650. An act for the relief of George H. Holman;

H. R. 3460. An act for the relief of Caughman-Kaminer Co.;

H. R. 3467. An act for the relief of David C. Jeffcoat;

H. R. 4160. An act for the relief of Raymond D. Woods;

H. R. 5211. An act for the relief of the heirs of Samuel B. Inman;

H. R. 5276. An act for the relief of Hilda Barnard;

H. R. 5513. An act to permit the United States to be made a party defendant in certain cases;

H. R. 7293. An act authorizing the Secretary of War to grant to the city of Springfield, Mass., permission to construct and maintain a highway bridge across the United States military reservation at the Springfield Armory, Mass.;

H. R. 7309. An act for the relief of Frank R. Scott;

H. R. 7499. An act to amend Act No. 3 of the Isthmian Canal Commission relating to the suppression of lotteries in the Canal Zone, enacted August 22, 1904;

H. R. 9590. An act to amend the act entitled "An act to provide for the collection and publication of statistics of tobacco by the Department of Agriculture," approved January 14, 1929; and

H. R. 11897. An act making appropriations for the military and nonmilitary activities of the War Department for the fiscal year ending June 30, 1933, and for other purposes.

On July 15, 1932:

H. R. 11732. An act to amend section 2 of an act approved February 25, 1929 (45 Stat. 1303), to complete the acquisition of land adjacent to Bolling Field, D. C., and for other purposes;

H. J. Res. 361. Joint resolution to authorize the Surgeon General of the United States Public Health Service to make a survey as to the existing facilities for the protection of the public health in the care and treatment of leprous persons in the Territory of Hawaii, and for other purposes; and

H. J. Res. 473. Joint resolution to amend the public resolution entitled "Joint resolution making an appropriation to provide transportation to their homes for veterans of the World War temporarily quartered in the District of Columbia," approved July 8, 1932.

On July 16, 1932:

H. J. Res. 474. Joint resolution making available as of July 1, 1932, the appropriations contained in the regular annual appropriation acts for the fiscal year 1933 for the Departments of Agriculture, Post Office, Treasury, and War, and ratifying obligations incurred in anticipation thereof;

H. J. Res. 475. Joint resolution making an appropriation for the payment of pages for the Senate and House of Representatives from July 16 to July 25, 1932;

H. R. 1289. An act for the relief of William Dalton;

H. R. 1834. An act for the relief of Claude E. Dove;

H. R. 2189. An act for the relief of Elsie M. Sears;

H. R. 2927. An act for the relief of Eva May Peed, widow of George M. Peed;

H. R. 7199. An act for the relief of Frank Martin; and

H. R. 7215. An act for the relief of May Weaver.

HOME LOAN BANK BILL

Mr. STEAGALL. Mr. Speaker, I call up the bill H. R. 12280, and I move that the House recede from its disagreement to Senate amendments 46 and 47 and concur therein. [Applause.]

The SPEAKER pro tempore. The gentleman from Alabama moves that the House recede and concur in the Senate amendments.

Mr. STEAGALL. Mr. Speaker, the conferees on the part of the House have stood loyally and steadfastly for the expressed will of the House and the preservation of the integrity of its position on the legislation in controversy between the two Houses.

It is manifest that the House desires to end the controversy which during the closing hours has dragged and lengthened until it presents a situation that all of us would like to avoid.

The Senate conferees left the conferees on the part of the House under the impression that if the House would reaffirm its view and its judgment on the legislation in dispute, that the Senate, recognizing the peculiar conditions existing and the peculiar situation under which the Senate

had sought to attach to the home loan discount bill a foreign proposition, which has no proper place under logical procedure in the bill to which it is attached, that the Senate would recede from its position and permit the home loan rediscount bill to be enacted as agreed upon by the conferees in obedience to the vote of the two Houses of Congress in expressing their approval of the conference report.

I am not charging bad faith. Do not misunderstand me. I do not for a moment say that the conferees on the part of the Senate have not kept faith with the conferees of the House. I assume that they have, and I have no basis whatever for a contrary statement.

I have not followed the matter into the Senate in all of its details. But I assume that the conferees on the part of the Senate have kept faith with the conferees on the part of the House and have tried to do the best that could be done.

But I am going to say now—I may have said it yesterday—that if the conferees on the part of the Senate had been left free and untrammeled, as were the conferees on the part of the House, an agreement would have been reached, and there never would have been the controversy for two days that has occurred over this legislation.

The conferees on the part of the Senate, or some of them, spent a part of the time of the conference at the telephone, and came back with the statement that if they followed their own judgment on this legislation the Chief Executive of the Nation would use the power reposed in him under the Constitution of the country to defeat the will of Congress as expressed by the representatives of the two Houses.

Had the Members on the other side been free to vote their own judgment, there would not have been this controversy.

Mr. Speaker, in view of the peculiar conditions that exist, in view of the fact that many Members of Congress at both ends of the Capitol have understood that an adjournment would be agreed to to-day and made their plans in accordance with that understanding, not that solely upon consideration of the convenience of Members we should predicate our action on a matter of such importance as is involved in this bill—but in view of these considerations and in deference to what I believe to be the ultimate desire of the membership of this House, which I respect and am glad to obey, the conferees on the part of the House have discharged our full duty to the House in attempting to represent its views in conference. In pursuance of that conclusion and with our protest against methods that have been employed to engraft this extraneous and illogical provision upon the House bill, the conferees on the part of the House decided that we will best discharge our duty by making the motion that I have made.

In view of these conditions and the insistence on the part of many Members of the House who have supported the conferees in their contention, that the conferees yield, I have made the motion that the House recede from its disagreement to the Senate amendment No. 46 and concur in the same.

Mr. McFADDEN. Mr. Speaker, will the gentleman yield?

Mr. STEAGALL. Mr. Speaker, I yield 10 minutes to the gentleman from Pennsylvania.

Mr. McFADDEN. Mr. Speaker, there is no need for the enactment of the Borah amendment relating to the expansion of national bank currency. The Federal reserve banks and the Reconstruction Finance Corporation can furnish all the currency needed. The Glass-Steagall Act takes care of that. It will greatly depreciate the value of the 2 per cent circulation bonds now held by the national banks of this country, to the extent of about $700,000,000. This amendment should not be adopted, and I say to you that if you adopt this as is indicated here, there should be an amendment to it that pertains to the depreciation in the value of the 2 per cent bonds.

We should guard against this by making circulation based upon the higher rate bonds no more attractive than are the 2 per cent bonds. This might be accomplished through placing a higher tax upon circulation secured by the higher rate bonds. Not contemplating that the House was going to take this somersault, we are caught without proper preparation for such an amendment.

Section 18 of the Federal reserve act gives Federal reserve banks the right to exchange 2 per cent bonds for 3's. But the difficulties are these, and this is very pertinent to the action that you are about to take: Circulation would have to be retired first and a national bank would have to make the exchange through a reserve bank. In exchange for the 2's the Secretary of the Treasury would give 1-year gold notes equal in volume to one half the 2 per cent bonds surrendered, and for the other half would give 30-year gold bonds. All of these would bear 3 per cent interest. But the Federal reserve bank would be required to obligate itself to repurchase the same amount of 1-year gold notes when those given in exchange for the 2 per cent bonds mature, and to repeat the operation each year for 30 years if the Secretary of the Treasury should request it.

The Federal reserve bank might not be willing to obligate itself in this manner just to secure 3 per cent bonds to turn over to a national bank. Also, it is possible that the volume of 2 per cent bonds less exchangeable is limited to the $25,000,000 permitted to be purchased by the Federal reserve system each year, and this amount each year would not help much. I refer you to section 18 of the Federal reserve act. In addition, after the circulation would finally be rearranged to rest upon 3 per cent bonds, they would lose their circulation privilege automatically in three years, and thus all circulation would be retired and the Government would be paying 3 instead of 2 per cent for almost $700,000,000 worth of bonds.

Mr. BLACK. Mr. Speaker, will the gentleman yield?

Mr. McFADDEN. Yes.

Mr. BLACK. Has the gentleman any idea as to who has the large holdings of these bonds that will be convertible by this amendment?

Mr. McFADDEN. My understanding is that these bonds bearing 3⅜ per cent interest or less, which would be made available for circulation under this plan, are closely held by certain favored institutions, and that the price on them already has gone up two points, and I venture to say that by Monday morning the banks who want to buy these bonds will have to pay the full new value, as determined by the circulating franchise which you gentlemen are going to give them to-night by this action. You are going to disrupt every national bank in the United States by this, and let me point out to you that a national bank with $100,000 capital, with its $100,000 circulation, at the present time holds these 2 per cent bonds or has placed them with the United States Treasury as security for its issued national bank notes. If these 2 per cent bonds go down in investment value, they will go down into the 60's. Can you imagine what will happen to these country banks when they have a depreciation in their bond account? It is going to make many of them insolvent. Let me tell you further that those banks, and I speak with knowledge, that have anticipated this action which they had been tipped off was going to occur, have sold their 2 per cent bonds and purchased other bonds, so they are making their profit as the 2's go down, and they are making a profit as the others bearing a higher rate of interest up to 3⅜ per cent go up.

Mr. Speaker, there is something back of this thing that I do not understand, and I am surprised at the action of this House in reversing its action on this important matter without having proper knowledge.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. McFADDEN. Yes.

Mr. McCORMACK. The gentleman says that certain banks have been tipped off. Has the gentleman any information as to where the tip came from, or has the gentleman an opinion to express in relation to that?

Mr. McFADDEN. I do not want to divulge confidential information here, although I can give the name.

Mr. McCORMACK. Can the gentleman state whether it is strongly rumored there have been powerful influences

exerted to secure the passage of this amendment? Has the gentleman any information as to the source of those influences?

Mr. McFADDEN. They come from the usual source of the bankers that are on the inside of governmental operations and who profit in anticipation of these changes.

There never was a more flagrant one than this one before you now. This reversal of your attitude on this bill should not occur, and I am surprised at what has taken place in the conference that has been referred to by the chairman of this committee, where the sacredness of the conference has been violated, where those who had no right to come into the conference came into the conference and pleaded and argued.

Mr. STEAGALL. Will the gentleman yield to me?

Mr. McFADDEN. I will.

Mr. STEAGALL. I want to say to the gentleman that the conferees have yielded on this matter, as I stated in my opening statement——

Mr. McFADDEN. Under pressure.

Mr. STEAGALL. Purely because of the manifest desire of the House that the conferees recede. I have not changed my own view or my own desire in the matter, but I say also in this connection that the leader on the other side of the House appealed to me not to expect continued support from that side of the House in the insistence against this amendment. In the light of that situation and the manifest desire of the House and the repeated manifestations of Executive influence that has been brought to bear on this House within the afternoon, I yielded because I was responding to the sentiment of a majority of the House.

The SPEAKER pro tempore. The time of the gentleman from Pennsylvania has expired.

Mr. STEAGALL. Mr. Speaker, I yield five additional minutes to the gentleman from Pennsylvania.

Mr. WHITE. Will the gentleman yield?

Mr. McFADDEN. I yield.

Mr. WHITE. While there are only $700,000,000 of the 2 per cent bonds in circulation, the House should know there are more than $3,000,000,000 worth of bonds of these others which will be eligible for the issuing of currency under this plan.

Mr. TABER. Will the gentleman yield?

Mr. McFADDEN. I yield.

Mr. TABER. Is it not about time that the House insisted on protecting the people of this country and standing by the position it has taken so far to-day? [Applause.]

Mr. McFADDEN. The gentleman is quite correct. It is time that this House—it is time that the leadership on both sides of this House paid some attention to the interests of the people who sent them here. [Applause.]

Mr. SCHAFER. Will the gentleman yield?

Mr. McFADDEN. I yield.

Mr. SCHAFER. Is it not more important for this House to maintain its dignity by maintaining its position on the vote than wolfing and howling and talking and acting in a different way from the way they talk, in order to run home to-night?

Mr. McFADDEN. Of course, the gentleman is perfectly right. The reversal of yours now are influenced by political pressure from the White House and by your desire to adjourn and go home. I am surprised that the leadership on both sides have succumbed.

Mr. SCHAFER. That is just as the Democrats do on everything,

Mr. McFADDEN. Every man who changes his vote on principle is making a rubber stamp of himself.

Mr. Speaker, before the interruptions I was dealing with the unusual things that have taken place in this conference and on the side lines. I wish to say to you that a most unusual thing has happened here to-day, at a crucial moment in connection with the consideration given to this measure. When Members of the House were standing by what they really knew to be right we were visited here by a lobbyist from the White House, who conveyed the information to the membership of this House——

Mr. SNELL. Will the gentleman yield right there?

Mr. McFADDEN. Not until I finish my statement. That if the House would yield on this question there would be no question about the signing of this bill by the Chief Executive.

Now, that is a big factor. It has had its influence on the leadership of this House and has caused this reversal of votes.

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

Mr. McFADDEN. It is a deplorable condition for this House to be in, to respond to a White House lobbyist on an important measure like this, where the public interest is involved to the extent that it is involved in this bill, to have things like that take place. They are unconstitutional. Constitutional government is being broken down when the legislative part of the Government, the people's part of this Government, has succumbed to the administration through the lobby of the Chief Executive, which has been operating all through this session.

All during this entire session of the Congress on the great variety of so-called reconstruction legislation the same influences have been directing and demanding action by this House, and it is regrettable, on much of this legislation, that the House itself has surrendered to the extent it has in this particular.

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

Mr. McFADDEN. I yield.

Mr. SNELL. I think the gentleman's attack on the former Representative, Mr. Newton, is entirely uncalled for and entirely unfair. I want to say to the gentleman that I have something to do with the leadership on this side of the House. The gentleman from the White House said nothing whatever to me this afternoon, and I did not see him to speak to him until we met here the last time we met this evening.

Mr. McFADDEN. I must remind the gentleman that what he is stating is much aside. Does the gentleman want me to repeat what he said to me a few moments ago?

Mr. SNELL. Yes, sir. I said that I was not willing to have anybody come here and tell me how to vote; that we were taking care of the proposition on our side as we thought best, and that I was the leader yet until I was deposed, and I was going to carry out that program.

Mr. McFADDEN. And the gentleman said he advised Mr. Newton to leave the floor of the House. [Applause.]

Mr. SNELL. I think the gentleman is mistaken about that.

Mr. McFADDEN. Oh, no; I am not. That is what you said.

Mr. McGUGIN. Will the gentleman yield?

Mr. McFADDEN. I yield.

Mr. McGUGIN. Would the gentleman suggest that the influence of Mr. Newton from the White House is responsible for the insistent demand of Senator BORAH, Senator NORRIS, and every other insurgent Senator from the great Northwest in the Senate this afternoon that the Senate amendment should be accepted? Does the gentleman charge that to the White House?

The SPEAKER pro tempore. The time of the gentleman from Pennsylvania has again expired.

Mr. STEVENSON. Mr. Speaker, I have taken very little time of this House at any period during this session. I expect to take only five minutes now.

As a member of the Committee on Banking and Currency, I think I have the credit of doing as much to put this law in shape as anybody in the House. I do not think this will be questioned. [Applause.] As a member of this committee, I went on the conference committee, and I went there prepared to contend for what I conceived to be a sound, logical, and proper measure, and we did so. We found extraneous matter in the bill that in my judgment is unsound. It is detrimental to the interests of many people in this country, and will not only be a disappointment, but will probably be used in such a way that it may be a calamity to the country before we are through with it.

What is the proposition that we found—and this House agreed with us. It voted twice to-day to stand by us. This

proposition is simply one to allow the national banks to use bonds that are of higher than 2 per cent interest rate as a basis of circulation. The claim is that it is necessary for an inflation to do this, and it is limited to bonds of 3⅜ per cent.

The Glass-Steagall bill provided that the bonds of the United States of every denomination and of every rate of interest can be used in the Federal reserve banks as a basis of circulation. So you have increased the power of inflation, because every United States bond that is out can be used in the Federal reserve banks as a basis of circulation, and these you limit to the national banks. So the talk of the necessity of inflation is all pure hot air.

The answer to us by the distinguished gentlemen at the other end of the Capitol was that they would not do it. Well, gentlemen, that is a question of administration. If they will not do it, why should they do it? Is the administration preventing their doing it? And if they will not do it, will the national banks do it, the national banks who elect the directors in control of the Federal reserve banks of this country? Why, you know they will not; but suppose they do, what will be the result? Suppose they issue $900,000,000 of national bank notes under this provision. It is for three years. At the end of three years what will happen? You will find an inflation up to that time, and at the end of three years it has got to end, and they have got to be called in, and the contraction of a billion dollars, in round numbers, in the currency in this country in 1935 will be upon us, and we will be in a worse fix then than we are now.

Now, the only reason I assigned was that you depreciate the value of the 2 per cents the minute this law goes into effect, and the $700,000,000 currency already issued by the national banks upon the 2 per cents will be impaired to the extent of that depression, and it will probably reach 20 per cent. It will take $140,000,000 of the credit of the national banks and impair their capital to that extent. This is what will happen.

For these reasons I have stood up for the bill as it passed the House. I have done too much work on this home loan bank bill to see it destroyed by the willful action of another body who insists upon putting a foreign matter into it. [Applause.] Therefore I shall not stand for the resolution just made.

Mr. O'CONNOR. Will the gentleman yield?

Mr. STEVENSON. I yield.

[Here the gavel fell.]

Mr. STEAGALL. Mr. Speaker, I yield the gentleman from South Carolina two additional minutes.

Mr. O'CONNOR. We had a hearing before the Rules Committee at which the gentleman from South Carolina appeared. At that time, if I recall correctly, the gentleman violently opposed the entire bill which had not then been amended by the Senate. Am I correct?

Mr. STEVENSON. No; the gentleman is not correct. I filed a minority report, as will be remembered by Members who are familiar with the legislation. I filed it on the ground of three objections, and they were all practically eliminated by the House upon my motion. [Applause.] They were put back in by the Senate, and the conference committee forced them to take them out, and they left the bill as it stands here. Because of those things I objected, and I objected before the Rules Committee.

Mr. O'CONNOR. Will the gentleman from South Carolina yield for a further question?

Mr. STEVENSON. I yield.

Mr. O'CONNOR. As the bill stands to-day after the gentleman has had his amendment adopted, is he in favor of it?

Mr. STEVENSON. Yes.

Mr. O'CONNOR. So am I.

Mr. STEVENSON. Without the vermiform appendix that was put in by another body, which needed a surgical operation to remove, and which this House has attempted to perform. [Applause.]

[Here the gavel fell.]

Mr. STEAGALL. Mr. Speaker, I yield three minutes to the gentleman from Alabama [Mr. OLIVER].

Mr. OLIVER of Alabama. Mr. Speaker, no Member of this House will give approval to outside interference, so it is not my purpose to allude further to that, but I do feel that I should say this, in justice to those Members of the House who this afternoon voted to concur in the action of the Senate: On yesterday the distinguished chairman of the committee, acting absolutely in conformity with what he and the other conferees felt was the will of the House, sought to carry out the will of the House by moving to concur in the Borah amendment by adding thereto the Goldsborough amendment, which the House had previously passed by a very large majority. I was in full accord with the action of the chairman in seeking to thus carry out what he construed to be a direct instruction from the House; but when the gentleman from Alabama [Mr. STEAGALL] and the gentleman from Maryland [Mr. GOLDSBOROUGH] urged on yesterday this House to concur in the action of the Senate which engrafted on the home loan bill the Glass amendment, they did not call attention to any serious impairment of the credit of the Nation nor to any serious loss that might follow therefrom to any bank, but they evidenced an absolute willingness to take the Glass amendment, if they could get what they wanted, namely, the Goldsborough bill and which by its terms was nothing more than directory as to what in the judgment of the House was a wise policy to follow. [Applause.] It ill becomes such Members to censure those who to-day voted to concur in the action of the Senate by declaring now for the first time that the Glass amendment is fraught with great harm and danger. They must be more careful in advising the House in the future. [Applause.]

[Here the gavel fell.]

Mr. STEAGALL. Mr. Speaker, I yield 10 minutes to the gentleman from Maryland [Mr. GOLDSBOROUGH].

Mr. McFADDEN. Will the gentleman yield me a minute in order to answer the charge that was made by the gentleman from Alabama?

Mr. STEAGALL. I must, for the moment, decline, until I see how much time I have.

Mr. McFADDEN. Will the gentleman from Maryland yield to me?

Mr. GOLDSBOROUGH. I yield.

Mr. McFADDEN. Mr. Speaker, I want to say to the House, and particularly to the gentleman from Alabama, that I set forth as strongly as I could on the floor of this House yesterday the dangers that lurked in this amendment. I did that on yesterday when the matter was before the House. I regret there were not more Members interested so that they could have been in the House when the merits of this proposition were discussed. The CONGRESSIONAL RECORD discloses what I said yesterday.

Mr. GOLDSBOROUGH. Mr. Speaker, on yesterday I made the statement specifically that the Glass bill could not do much harm if it were controlled by the expansion and contraction features of the Goldsborough bill. That was my statement. The Glass bill by itself is a very different thing from the Glass bill controlled, because the Glass bill standing alone has no control.

Mr. RAMSEYER. Will the gentleman yield?

Mr. GOLDSBOROUGH. I can not yield. I am very sorry. At the present time it is only bonds bearing 2 per cent interest which are eligible to be put up as collateral security for currency. They have all been used up and they have been used up by small banks which think it enhances their prestige to have the privilege of issuing currency. So, when you give this privilege to bonds bearing 3⅜ per cent—which are the bonds held by the large banks—you give this extra privilege not as a diffusive expansion but simply as a privilege for the large banks of the country to issue the people's money and be paid 3⅜ per cent for doing it.

Under the Glass-Steagall bill, if the Federal reserve system sees fit to use it, they can issue this same currency with bonds as collateral security without one single cent's expense to the people of the United States. If you pass this Glass amendment the Federal reserve system will have a record of the amount of money issued by the national banks. If they

are not in favor of expansion—as they frankly are not—they can feed bonds into the market from day to day and take currency out of the market just as fast as the national banks feed it in.

This Glass amendment—while I make no charges against it from a moral standpoint—in so far as any benefit it may do to the people of this country is concerned, is a fraud from beginning to end. [Applause.]

My God, this is an awful situation! Here we are. We have been in session since December 5. We have done nothing to relieve this situation. We have done nothing to raise the price level, which is the only thing on earth that will save us from bankruptcy. Simply because we want to adjourn, we are willing to agree to anything that the Senate of the United States proposes, inspired by the Secretary of the Treasury and the governor of the Federal Reserve Board.

When we were considering this bill the other day the Secretary of the Treasury was in this Chamber. He is an ex-Member of the House and, of course, he has the privilege of the floor, but that was not the time for him to be here. Mr. Newton, the President's Secretary, is an ex-Member of this House. He came into the House in 1921, when I did. He has the right to the privileges of this floor, but to-day was not the time for him to be here.

You all may be able to go home and explain what we have not done, but I can not. The only thing I can do is to go to my people and tell them I did what I could to make this Reconstruction Finance Corporation unnecessary; that I did what I could to make this home loan bank bill unnecessary. That I did what I could to make it unnecessary to have any of these artificial governmental instruments.

Night before last when the House conferees met with the Senate conferees the first time, I had some reason to think that maybe we saw the sun rising in the east—the sun of the people, the sun that will help to restore prosperity to this country—but at the last minute an unexpected vote prevented an agreement by the conferees which would have raised the general commodity price level, started production, and given employment to our suffering people.

My God, if you can do it, vote down this motion, and just as soon as the Senate knows that this motion is going to be voted down it will recede. [Applause.] There has not been a single moment since these motions have been up when there has not been a hint that if we fail to agree we might have to vote on it again. This word has gone over to the Senate, to my knowledge, and they have been told time after time that all they have to do is to stick and they would beat the House. Do not allow this to be done this time.

This measure has been put out as an expansion measure. It will not accomplish what purports to be its purpose, and the consequence will be that you will discredit any sort of legitimate inflationary legislation or any sort of stabilization legislation.

I ask of you, in the people's name, to vote down this motion. [Applause.]

Mr. STEAGALL. Mr. Speaker, I yield five minutes to the gentleman from Massachusetts [Mr. McCORMACK].

Mr. McCORMACK. Mr. Speaker, I sincerely hope that the membership of the House will adhere to the position which we have already taken on this question.

Rumors are flying around the corridors of influence—influence to try to secure the passage of this rider to the home loan bank bill. We are sitting here in our official capacity as Members of the House of Representatives, representing our districts, accountable to nobody but our own conscience and to the people of our districts, to receive their approval or disapproval when we submit ourselves to them again for their consideration. We should not let any influence or psychology of any kind other than response to the duty we owe our people in the exercise of our judgment and conscience actuate us in voting upon this motion. If we voted "no" three times on this question, certainly we are not justified in changing our vote. If we were right on three occasions we are right now, and there is no justification for changing our vote.

Now, what can we do? We can vote down this motion to recede, and if this is done I am going to move that the House adhere to its disagreement of the Senate amendment; and if this motion is carried this will put it up to the Senate, and then the responsibility for the defeat of the home loan bank bill will lie where it belongs—upon the membership of the Senate of the United States.

Mr. CONNERY. Will the gentleman yield?

Mr. McCORMACK. I yield.

Mr. CONNERY. My distinguished colleague from Massachusetts remembers, as I do, that we did not have any lobbyists from the White House coming up here favoring expansion of the currency when such currency was to go to these soldier boys, hungry and unemployed, who have been asking for their bonus, but now that we have expansion of the currency for the bankers it is O. K'd by the White House.

Mr. McCORMACK. I want to confine myself to an impersonal discussion of the pending amendment. I do not want to make any allegations that I have no evidence to support. All I know is that there has been a change in the minds of some Members, and we can draw inferences from such fact that some kind of influence has been exerted. The fact that there has been a change, after various Members have voted three times in opposition to this motion, would justify the inference that there has been some influence brought to bear. I do not say it is corrupt, but there is some influence being exerted. We should stand up on our own feet, acting in our individual capacity, determining this question as our honest judgment prompts us to determine it, responsible only to our own conscience, and to the people of our districts and our country.

How are you going to later answer the allegation that you voted against an expansion of the currency to pay the adjusted-compensation certificates, and on this occasion voted for an expansion of the currency in order that it might be utilized for the benefit of certain banking interests? [Applause.] So we should stiffen our backbones, disregard influences that have been exerted, act in our individual capacities—defeat this motion; and if the motion is defeated, I shall then move that the House adhere to its disagreement to the Senate amendment, and this will place the responsibility where it belongs—in the other body.

Mr. STEAGALL. Mr. Speaker, I yield five minutes to the gentleman from Iowa [Mr. RAMSEYER].

Mr. RAMSEYER. Mr. Speaker and gentlemen of the House, in the length of time I have I can not go into the merits of the proposition; but I do want to state what is before the House.

In this home loan bank bill we have a Senate amendment written by Senator GLASS, one of the keenest experts on banking and currency that we have in the United States, and a Democrat. He was a former Secretary of the Treasury. Now, if we concur in this amendment to the home loan bank bill, it will end the controversy and pass the home loan bank bill.

Yesterday we voted for an amendment, the Glass amendment, and added to that the Goldsborough amendment.

Every Member here knows that I favored the Goldsborough amendment, and I voted for the proposition yesterday. Certainly no one who voted for the two propositions yesterday is in a position to denounce what we have before us now.

The gentleman from Pennsylvania [Mr. McFADDEN] for two years has uttered lamentations against the Treasury and opposed everything that has been going on. I do not think there is a single proposition connected with banking and currency that has been adopted at this session of Congress that he has not opposed. He suspects everything, and he suspects everybody. His story to-day is no addition to the story he has been uttering here time and again.

Mr. McFADDEN. Will the gentleman yield?

Mr. RAMSEYER. No; I am not yielding. The gentleman from Maryland [Mr. GOLDSBOROUGH] for whom I have the highest regard, and with whom I have cooperated from the beginning to the end in getting his bill through, says he was for the proposition yesterday, because the provisions

of his Goldsborough bill furnished control over the Glass amendment.

The truth of the matter is that the Goldsborough bill gives the Federal reserve system no added or new powers whatever. It declares a policy. The Federal reserve system has the power now to do everything that the Goldsborough bill directs in its declaration of policy.

Most of the time has been consumed by those who ostensibly are in favor of receding and concurring, but their arguments are against it.

Now, I am for an increase in the commodity price level. I have talked with the leading men in high administration circles, and there is no one that I have talked with but what admits that there is no way out of the depression unless we can bring about an increase in the commodity price level. [Applause.] This proposition before us is the only thing that offers an expansion in currency. We should pass it. In it there is hope for a moderate inflation, which in turn may result in an increase in the commodity price level. [Applause.]

[Here the gavel fell.]

Mr. STEAGALL. Mr. Speaker, I am in hearty accord with the purpose of the gentleman from Maryland, and with the view expressed by other gentlemen that there can be no recovery from the depression under which the country suffers, that there can be no relief to the people of the United States from the economic difficulties that beset us until the people whose toil creates the wealth of the Nation are to receive just compensation for their labor. In no other way can people pay their debts and save their businesses and their homes.

My objection to the Senate amendment is not so much because of any evil that might result as because of its utter inadequacy to accomplish the relief which the country has the right to expect of those in charge of the Federal Government at Washington. Only recently a billion dollars and more of gold was withdrawn from the United States. We are told that a billion and a half dollars are in hoarding by the citizens of the country, and yet the Federal reserve banks have expanded their currency circulation to the amount of only a billion and a half dollars, leaving a billion dollars withdrawn.

But worse than that, the banks of the country are not loaning—no matter what the demand nor what the security. I do not criticize them. I do not charge that they are hoarding. They find themselves in a situation where common honesty and ordinary business prudence demand that they keep in position to respond to their obligations to depositors. Our entire economic system is in danger. Public confidence has been undermined. Credit in the United States has not been curtailed. Credit in the United States has been destroyed completely. There is not any such thing as normal credit facilities for any citizen in the United States. I do not believe that the amendment involved in this controversy affords hope for anything approaching adequate relief.

I have not been one of those to contend that even the provisions of the Goldsborough bill directing the Federal reserve banks through their open-market operations to release currency with a view to reviving commodity prices would accomplish the purpose for which it was intended; but it was the best hope that Congress has had for relief in that connection. It is the only measure that afforded any promise or hope of adequate relief. Personally, I do not believe that the present control of the banking system of the United States fully appreciates the suffering and distress throughout this Nation. I do not believe that they fully comprehend the situation. I do not believe that we have any reason to expect relief at their hands. Our only hope is that the people will drive them from power—as they are going to do in November—and place control in new hands responsive to the demands of the masses of mankind. [Applause on the Democratic side.]

Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER pro tempore. The question now recurs upon the motion to recede and concur offered by the gentleman from Alabama [Mr. STEAGALL].

Mr. McCORMACK and Mr. GAVAGAN demanded the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 120, nays 114, not voting 196, as follows:

[Roll No. 127]

YEAS—120

Adkins	DeRouen	Keller	Patterson
Allgood	Dies	Kelly, Pa.	Person
Almon	Disney	Kemp	Pettengill
Amlie	Doughton	Kniffin	Polk
Andresen	Doutrich	Kopp	Ramseyer
Ayres	Dowell	Kurtz	Rankin
Baldrige	Doxey	Kvale	Reilly
Barton	French	LaGuardia	Robinson
Bland	Garber	Lambertson	Sanders, Tex.
Boileau	Gilchrist	Lambeth	Schneider
Brand, Ohio	Hall, Ill.	Lamneck	Shallenberger
Briggs	Hancock, N. C.	Lankford, Ga.	Simmons
Burch	Harlan	Larrabee	Sinclair
Burtness	Hill, Wash.	Leavitt	Smith, Idaho
Butler	Hoch	Lichtenwalner	Smith, Va.
Campbell, Iowa	Hogg, Ind.	Luce	Snell
Campbell, Pa.	Hogg, W. Va.	Ludlow	Spence
Carter, Wyo.	Holaday	McGugin	Steagall
Cartwright	Hollister	McSwain	Strong, Kans.
Christgau	Hope	Maas	Swing
Christopherson	Hopkins	Major	Taylor, Colo.
Clague	Hornor	Martin, Oreg.	Thurston
Clark, N. C.	Horr	Michener	Vinson, Ky.
Clarke, N. Y.	Howard	Montet	Wason
Collins	James	Moore, Ohio	West
Cooper, Tenn.	Jeffers	Morehead	Whittington
Cross	Jenkins	Norton, Nebr.	Williamson
Crowe	Johnson, Okla.	Oliver, Ala.	Withrow
Culkin	Johnson, Tex.	Overton	Wolverton
Darrow	Jones	Parker, N. Y.	Yon

NAYS—114

Andrews, N. Y.	Dallinger	Kelly, Ill.	Reed, N. Y.
Bachmann	Delaney	Kinzer	Rich
Bacon	De Priest	Lankford, Va.	Rogers, Mass.
Beam	Douglass, Mass.	Lehlbach	Schafer
Beedy	Eaton, Colo.	Lonergan	Seger
Black	Eaton, N. J.	Loofbourow	Seiberling
Bloom	Englebright	Lozier	Shott
Boehne	Erk	McClintock, Ohio	Snow
Boland	Fiesinger	McCormack	Stafford
Bolton	Flannagan	McDuffie	Stalker
Bowman	Foss	McFadden	Stevenson
Brumm	Garrett	Magrady	Stewart
Buckbee	Gavagan	Manlove	Stokes
Bulwinkle	Goldsborough	Mapes	Strong, Pa.
Cable	Goss	Millard	Stull
Cannon	Green	Milligan	Sutphin
Chavez	Hadley	Mobley	Swick
Chindblom	Hall, N. Dak.	O'Connor	Taber
Clancy	Hancock, N. Y.	Owen	Temple
Cochran, Mo.	Hardy	Parker, Ga.	Tierney
Cochran, Pa.	Hart	Parsons	Tilson
Condon	Hawley	Patman	Timberlake
Connery	Hess	Pittenger	Tinkham
Cooke	Holmes	Prall	White
Cooper, Ohio	Hooper	Pratt, Harcourt J.	Wigglesworth
Coyle	Huddleston	Pratt, Ruth	Wingo
Crosser	Johnson, S. Dak.	Rainey	Wolcott
Crowther	Johnson, Wash.	Ramspeck	
Curry	Kahn	Ransley	

NOT VOTING—196

Abernethy	Chapman	Fernandez	Hartley
Aldrich	Chase	Finley	Hastings
Allen	Chiperfield	Fish	Haugen
Andrew, Mass.	Cole, Iowa	Fishburne	Hill, Ala.
Arentz	Cole, Md.	Fitzpatrick	Houston, Del.
Arnold	Collier	Frear	Hull, Morton D.
Auf der Heide	Colton	Free	Hull, William E.
Bacharach	Connolly	Freeman	Igoe
Bankhead	Corning	Fulbright	Jacobsen
Barbour	Cox	Fuller	Johnson, Ill.
Beck	Crail	Fulmer	Johnson, Mo.
Blanton	Crisp	Gambrill	Kading
Bohn	Crump	Gasque	Karch
Boylan	Cullen	Gibson	Kendall
Brand, Ga.	Davenport	Gifford	Kennedy
Britten	Davis	Gilbert	Kerr
Browning	Dickinson	Gillen	Ketcham
Brunner	Dickstein	Glover	Kleberg
Buchanan	Dieterich	Golder	Knutson
Burdick	Dominick	Goodwin	Kunz
Busby	Douglas, Ariz.	Granfield	Lanham
Byrns	Drane	Greenwood	Larsen
Canfield	Drewry	Gregory	Lea
Carden	Driver	Griffin	Lewis
Carley	Dyer	Griswold	Lindsay
Carter, Calif.	Ellzey	Guyer	Linthicum
Cary	Estep	Haines	Lovette
Cavicchia	Evans, Calif.	Hall, Miss.	McClintic, Okla.
Celler	Evans, Mont.	Hare	McKeown

McLaughlin	Norton, N. J.	Shannon	Underhill
McLeod	Oliver, N. Y.	Shreve	Underwood
McMillan	Palmisano	Sirovich	Vinson, Ga.
McReynolds	Parks	Smith, W Va.	Warren
Maloney	Partridge	Somers, N. Y.	Watson
Mansfield	Peavey	Sparks	Weaver
Martin, Mass.	Perkins	Sullivan, N. Y.	Weeks
May	Pou	Sullivan, Pa.	Welch
Mead	Purnell	Summere, Wash.	Whitley
Miller	Ragon	Sumners, Tex.	Williams, Mo.
Mitchell	Rayburn	Swank	Williams, Tex.
Montague	Reid, Ill.	Swanson	Wilson
Moore, Ky.	Rogers, N. H.	Sweeney	Wolfenden
Mouser	Romjue	Tarver	Wood, Ga.
Murphy	Rudd	Taylor, Tenn.	Wood, Ind.
Nelson, Me.	Sabath	Thatcher	Woodruff
Nelson, Mo.	Sanders, N. Y.	Thomason	Woodrum
Nelson, Wis.	Sandlin	Treadway	Wright
Niedringhaus	Schuetz	Tucker	Wyant
Nolan	Selvig	Turpin	Yates

So the motion to recede and concur in the Senate amendments was agreed to.

The Clerk announced the following pairs:

On this vote:

Mr. Swanson (for) with Mr. Niedringhaus (against).
Mr. Mouser (for) with Mr. Jacobsen (against).

Additional general pairs:

Mr. Mead with Mr. Britten.
Mr. Hare with Mr. Cole of Iowa.
Mr. Browning with Mr. Dyer.
Mr. McReynolds with Mr. Hartley.
Mr. Arnold with Mr. Colton.
Mr. Pou with Mr. Haugen.
Mr. Byrns with Mr. Kading.
Mr. Lindsay with Mr. Gibson.
Mr. Collier with Mr. Knutson.
Mr. Johnson of Missouri with Mr. McLaughlin.
Mr. Haines with Mr. Nelson of Maine.
Mr. Bankhead with Mr. Martin of Massachusetts.
Mr. Gregory with Mr. Purnell.
Mr. Wilson with Mr. McLeod.
Mr. Cullen with Mr. Selvig.
Mr. Wood of Georgia with Mr. Reid of Illinois.
Mr. Blanton with Mr. Summers of Washington.
Mr. Underwood with Mr. Nolan.
Mr. Crisp with Mr. Treadway.
Mr. Dominick with Mr. Shreve.
Mr. Williams of Missouri with Mr. Watson.
Mr. Carley with Mr. Yates.
Mr. Weaver with Mr. Wood of Indiana.
Mr. Nelson of Missouri with Mr. Wyant.

The result of the vote was announced as above recorded.

On motion of Mr. STEAGALL, a motion to reconsider the vote by which the motion was agreed to was laid on the table.

Mr. STEAGALL. Mr. Speaker, I ask the Chair to submit the question on amendment No. 47.

The SPEAKER pro tempore. The Chair understood that was included in the gentleman's motion. If the Chair is mistaken, the Chair will put the motion. The Chair understands that both amendments were put and adopted by the House in the same motion.

EXPENSES OF THE HOME-LOAN BANK

Mr. TAYLOR of Colorado. Mr. Speaker, I ask unanimous consent for the immediate consideration of a resolution (H. J. Res. 479) making an appropriation for the Federal home-loan bank board for the fiscal year ending June 30, 1933, making the appropriation necessary to carry into effect the bill that has just been passed. It is the regular form of resolution by the Committee on Appropriations, and it is presented on behalf of the Appropriations Committee in the absence of the chairman of that committee, Mr. BYRNS. It carries an appropriation of $300,000.

The Clerk read the title of the House joint resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Colorado?

Mr. McFADDEN. Reserving the right to object——

Mr. SCHAFER. Reserving the right to object, does this appropriation bill carry sufficient funds for the big bankers to run the printing presses to print this currency—these same big bankers who were opposed to running the printing presses to print money to pay the veterans their adjusted compensation?

Mr. CELLER. Will the gentleman yield?

Mr. TAYLOR of Colorado. Will the gentleman permit me to answer the gentleman from Wisconsin.

Mr. O'CONNOR. Mr. Speaker, I object.

Mr. TAYLOR of Colorado. Mr. Speaker, I move to suspend the rules and pass the resolution (H. J. Res. 479) making an appropriation for the Federal Home Loan Bank Board for the fiscal year ending June 30, 1933.

Mr. O'CONNOR. Mr. Speaker, I make a point of order.

The SPEAKER pro tempore (Mr. McDUFFIE). Will the House permit the Chair to make a statement? It requires a majority of this House to agree to a resolution providing for adjournment sine die, and we do not know yet when the Senate will send over that resolution. The Chair respectfully suggests to the gentleman, especially those who have made reservations to return to their homes to-night, that it might be well to remain until the concurrent resolution providing for adjournment is adopted. The Chair desires to make that statement, because our ranks are gradually being thinned, and we might find ourselves without a quorum.

The gentleman from Colorado [Mr. TAYLOR] moves that the rules be suspended and the House Joint Resolution 479 do pass.

Mr. O'CONNOR. Mr. Speaker, a point of order.

The SPEAKER pro tempore. The Clerk will report the resolution.

The Clerk read the House joint resolution, as follows:

House Joint Resolution 479

Resolved, etc., That for the payment of all authorized expenses of the Federal home-loan bank board in carrying out the provisions of the act of the Seventy-second Congress entitled "An act to create Federal home-loan banks, to provide for the supervision thereof, and for other purposes," there is hereby appropriated, out of any money in the Treasury not otherwise appropriated, the sum of $300,000 for the fiscal year ending June 30, 1933, to be available for the purposes and subject to the conditions and limitations specified in such act, including personal services and rent in the District of Columbia and elsewhere and expenses preliminary to the organization and establishment of the banks created thereunder.

Mr. O'CONNOR. Mr. Speaker, a point of order.

The SPEAKER pro tempore. The gentleman will state it.

Mr. O'CONNOR. Mr. Speaker, I make the point of order that a motion to suspend the rules is not in order except on the first and third Monday of each month, and except during the last six days of the session, after we have adopted a concurrent resolution to adjourn.

The SPEAKER pro tempore. Will the gentleman from New York allow the Chair to make a statement? The Chair is informed that the Journal shows the gentleman from Illinois [Mr. RAINEY] asked unanimous consent, which was granted, that motions to suspend the rules would be in order to-day; and the Chair therefore overrules the point of order raised by the gentleman from New York.

Is a second demanded?

Mr. SCHAFER. Mr. Speaker, I demand a second.

Mr. TAYLOR of Colorado. Mr. Speaker, I ask unanimous consent that a second be considered as ordered.

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

There was no objection.

Mr. TAYLOR of Colorado. Mr. Speaker, I reserve my time.

Mr. SCHAFER. Mr. Speaker, I yield myself five minutes.

The SPEAKER pro tempore. The gentleman from Wisconsin is recognized.

Mr. SCHAFER. I am in favor of the Federal home loan bank bill, and, therefore, in favor of the pending resolution. [Applause.] I demanded a second in order that I might have an opportunity to make a few observations at this time because I was unable to obtain any time from the Member who has had the home loan bank bill in charge prior to the last vote taken on the Borah-Glass amendment.

It is rather remarkable that Members of this House who stood up on the floor and consistently voted with an overwhelming majority against the adoption of the Borah-Glass rider to the home loan bank bill changed their position within a few hours and voted to turn about and run.

It was rather remarkable to hear the chairman of a great committee of this House get up on the floor of the House and orate about how the conferees fought against the Senate amendment to maintain the integrity of the House and a fundamental principle and then because he and perhaps a few other Members want to adjourn and go home to-day sacrifice all of their principles and turn about face on the last roll call and swallow what they had previously claimed to be a vicious amendment hook, line, and sinker.

Is that fighting to maintain the integrity of the House? Is that fighting to prevent the enactment of legislation which they previously denounced as vicious? How will the Members who turned about face on a great matter of principle on the last roll call explain their action to their constituents?

The Borah amendment carries the same principle of currency expansion that was embodied in the Patman soldiers' bonus bill as amended by the Owen amendment. There is no doubt about it. Yet Members in the other body, in fact, the authors of the rider, stood up on the floor of the other body and fought against the Patman soldiers' bonus bill because of its inflationary character and alleged flat money principle. They claimed that they did not want to run the printing presses to manufacture flat money to pay the soldiers. They claimed that was wrong because it was inflationary. But when it comes to the great banking interests, including the international bankers who drove us into the World War in which these veterans fought, Members stand on the floor of the Senate and on the floor of the House and advocate what the big banking interests who were opposing the veterans' bill want, turning the printing presses wide open to print inflationary money for the benefit of the bankers.

Mr. GAVAGAN. Will the gentleman yield?

Mr. SCHAFER. I yield.

Mr. GAVAGAN. I would like to ask the gentleman if he does not think it rather strange that the minority leader of this House made a quick turnabout face on the last roll call?

Mr. SCHAFER. It is not only strange but astounding and almost unbelievable. Another remarkable, strange, and astounding event was the eloquent speech of the chairman of the Banking and Currency Committee in the well of this House against the Borah-Glass rider on fundamental principles and then his complete turnabout face in swallowing it, hook, sinker, and bait.

There is another remarkable situation which occurred in this House to-day. I have gone through the precedents and I have observed that the Speaker, when he had to absent himself, appointed the chairman of the Rules Committee as Speaker pro tempore. But what do we find to-day? We find the acting chairman of the Rules Committee, the ranking member of the majority party, the distinguished Jeffersonian Democrat from New York [Mr. O'CONNOR], present in the House to-day; yet when the Speaker left for Texas in the closing hours of a debate with action being taken on a matter of principle he ignored this Jeffersonian Democrat and went to the Rivers and Harbors Committee to make the appointment of a Speaker pro tempore. Perhaps this was because he believed that the gentleman from New York [Mr. O'CONNOR] would grant recognition to suspend the rules and carry out the Democratic platform with reference to an immediate modification of the Volstead Act.

[Here the gavel fell.]

Mr. SCHAFER. Mr. Speaker, I yield myself one additional minute.

I know that if the distinguished gentleman from New York [Mr. O'CONNOR], who, by the way, is the author of the meritorious bill for the modification of the Volstead Act, were designated to act as Speaker pro tempore in the absence of the Speaker to-day, we would have an opportunity to vote on the O'Connor beer bill, and we would also have an opportunity before we adjourn to vote upon a resolution repealing the eighteenth amendment.

Mr. PARSONS. Will the gentleman yield?

[Here the gavel fell.]

Mr. SCHAFER. Mr. Speaker, I yield myself one additional minute.

Mr. PARSONS. Is this fiat money that is supposed to be issued now, or is it not?

Mr. SCHAFER. This is printing-press money, the same kind of printing-press money and money of the same nature as that provided in the Patman bonus bill as amended by the Owen plan.

The only difference is that the big banking interests which fought the Patman bonus bill and which were opposed to the alleged running of the printing presses to pay the hungry, ragged, and starving veterans—many of them who fought overseas for their country for $1 and $1.25 a day in the war of the international bankers—are now for this Glass amendment. They are in favor of authorizing the printing of over $1,000,000,000 worth of fiat money for the benefit of the banking interests.

Mr. GAVAGAN. Will the gentleman yield?

[Here the gavel fell.]

Mr. SCHAFER. Mr. Speaker, I yield myself one additional minute in order to answer the gentleman's question.

Mr. GAVAGAN. May I suggest to the gentleman that the only difference between the inflation in the bill we just passed and the inflation in the so-called soldier's bonus bill, is that the one was passed at the wish of some one at the other end of Pennsylvania Avenue.

Mr. SCHAFER. I would not say that, because the author of the rider in the Senate, the great dry crusader—I do not know what party he belongs to now, but I think he is going to follow Bill Upshaw—and his Democratic colleague from Virginia [Mr. GLASS] vigorously opposed the running of the printing presses in order to pay these veterans what we owe them, and to put some food in their stomachs and some clothes on their backs. However, they turned about face, and are now in favor of running the printing presses for the benefit of the bankers and putting money into their pockets, these same bankers who opposed the bonus bill because of its inflationary character. [Applause.]

Mr. Speaker, I yield three minutes to the gentleman from Texas [Mr. PATMAN].

Mr. PATMAN. Mr. Speaker, in view of the fact that the Congress will adjourn to-night and we will probably not meet any more until December I desire to invite your attention to a question that will come up at the December session of Congress.

As most of you know, a large group of the Members of the House of Representatives has been trying to get the adjusted-service certificates paid in full in cash at this session of Congress. We have not been successful. The reason was that the charge of fiat money or printing-press money was urged against the bill we were sponsoring. I desire to respectfully invite your attention to the fact that you have just ratified, indorsed, and placed your stamp of approval upon exactly the same principle we have been advocating for the payment of the adjusted-service certificates. We have been advocating that the veterans be permitted to take a noncirculating obligation of the United States Government and deposit that obligation with the Secretary of the Treasury and that the Secretary of the Treasury issue to the veterans the same kind of money that you have in your pockets to-night, United States notes, Treasury notes, a circulating obligation.

Many of you have refused to indorse this principle, but the very ones who have refused to indorse the principle have turned right around and indorsed the principle of letting the national banks of the Nation take $1,000,000,000 of Government noncirculating obligations, put those obligations up with the Secretary of the Treasury, and let the Secretary of the Treasury issue $1,000,000,000 of circulating notes or currency, the very kind of money that you have in your pockets to-night. Many of the gentlemen who were urging their objections to fiat money asked, Where is the gold reserve to back up this money? How many of you asked the question about the gold reserve to back up this money for the national banks? [Applause.]

Mr. SCHAFER. Mr. Speaker, I yield five minutes to the distinguished expert on financial matters, the gentleman from Pennsylvania [Mr. MCFADDEN].

Mr. MCFADDEN. Mr. Speaker, in reply to the remarks that were made by the gentleman from Iowa, Mr. RAMSEYER, I may say that I have made several speeches at this session of Congress, and I have introduced certain resolutions pertaining to matters which should have had attention at this session of the Congress. I refer to my speeches with respect to the Federal reserve system, which should be investigated, but apparently is not going to be investigated, and to my speeches pertaining to the fraudulent withholding of taxes due the United States, and to refunds which have been made without authority of law, running into hundreds of millions of dollars.

Mr. BOLAND. Will the gentleman yield?

Mr. McFADDEN. I yield.

Mr. BOLAND. The gentleman made a statement about refunds, and if my memory serves me correctly, the statement was made the other day in the House that over $4,000,000,000 was returned in refunds and three-fourths of this amount was returned to certain taxpayers of the State of Pennsylvania. Does the gentleman know anything about that?

Mr. McFADDEN. I understand a large amount of it went to the State of Pennsylvania, but I have not before me the exact amount.

Mr. BOLAND. And this was under the régime of Mr. Mellon as Secretary of the Treasury?

Mr. McFADDEN. Yes.

A week ago yesterday, on the floor of this House, I raised this inquiry and asked the leadership what they were going to do in regard to the matter. The Speaker of the House acknowledged on the floor of the House that this resolution should be passed, and the acting Republican leader on the floor of the House, Mr. MICHENER, of Michigan, challenged the Speaker and promised the House his cooperation and insisted that they would see to it that the rule was reported out of the Rules Committee. Now, what happened in the Rules Committee? I presented indisputable evidence to that committee, sufficient to justify action, and what did the Rules Committee and the leadership of the House do? Mr. GARNER did not appear before the Rules Committee, nor did Mr. MICHENER fulfill his promise to the House; he voted "no" on my bills in Rules Committee. They made a political determination, not on the merits of the proposal.

Gentlemen, you are going to regret that you have not paid attention to these resolutions, and it ill becomes the gentleman from Iowa [Mr. RAMSEYER] to belittle my efforts in this respect.

If there have been more important matters before this Congress, I would like to have the gentleman from Iowa tell me what they are.

I have said about all I care to say on this subject. I am indebted to the gentleman from Wisconsin for the opportunity. [Applause.]

Mr. Speaker, I ask unanimous consent to extend my remarks made to-day.

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

Mr. RAMSEYER. Mr. Speaker, a resolution was passed a few days ago giving all Members the opportunity to revise and extend their own remarks in the RECORD.

The SPEAKER pro tempore. The gentleman is correct. The gentleman from Pennsylvania has that right under the resolution that was passed.

Mr. TAYLOR of Colorado. Mr. Speaker, I ask for a vote on the motion to suspend the rules and pass the joint resolution.

The SPEAKER pro tempore. The question is on the motion to suspend the rules and pass the joint resolution.

The question was taken; and two-thirds having voted in favor thereof, the rules were suspended and the joint resolution was passed.

RECESS

Mr. RAINEY. Mr. Speaker, I move that the House do now stand in recess, subject to the call of the Chair, the bells to be rung 10 minutes before the House reconvenes.

The motion was agreed to.

Accordingly (at 9.36 o'clock p. m.) the House stood in recess, subject to the call of the Chair.

AFTER THE RECESS

The recess having expired (at 11 o'clock and 18 minutes p. m.), the House was called to order by Mr. MCDUFFIE, Speaker pro tempore.

FURTHER MESSAGE FROM THE SENATE

A further message from the Senate by Mr. Craven, its principal clerk, announced that the Senate had passed without amendment a bill of the House of the following title:

H. R. 10372. An act to authorize the Director of Public Buildings and Public Parks to employ landscape architects, architects, engineers, artists, or other expert consultants.

The message also announced that the Senate had passed, with amendments, in which the concurrence of the House is requested, a bill of the House of the following title:

H. R. 12768. An act to authorize the closing of a portion of Virginia Avenue SE., in the District of Columbia, and for other purposes.

The message also announced that the Senate had passed a concurrent resolution of the following title, in which the concurrence of the House is requested:

S. Con. Res. 35. Concurrent resolution providing that when the two Houses of Congress shall adjourn on Saturday, the 16th day of July, 1932, they stand adjourned sine die.

EXPENSES OF THE FEDERAL HOME-LOAN BANK BOARD

Mr. TAYLOR of Colorado. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 12768), an act to authorize the closing of a portion of Virginia Avenue SE., in the District of Columbia, with the Senate amendments and agree thereto.

The SPEAKER pro tempore. Is there objection?

There was no objection.

The Clerk read the bill, as follows:

IN THE SENATE OF THE UNITED STATES,
July 11 (calendar day, July 16), 1932.

Resolved, That the bill from the House of Representatives (H. R. 12768) entitled "An act to authorize the closing of a portion of Virginia Avenue SE., in the District of Columbia," do pass with the following amendment:

Strike out all after the enacting clause and in lieu thereof insert the following:

"That for the payment of all authorized expenses of the Federal Home-Loan Bank Board in carrying out the provisions of the act of the Seventy-second Congress entitled 'An act to create Federal home-loan banks, to provide for the supervision thereof, and for other purposes,' there is hereby appropriated, out of any money in the Treasury not otherwise appropriated, the sum of $250,000 for the fiscal year ending June 30, 1933, to be available for the purposes and subject to the conditions and limitations specified in such act, including personal services and rent in the District of Columbia and elsewhere and expenses preliminary to the organization and establishment of the banks created thereunder."

Amend the title so as to read: "An act making an appropriation for the Federal Home-Loan Bank Board for the fiscal year ending June 30, 1933."

The SPEAKER pro tempore. The question is on agreeing to the Senate amendments.

The Senate amendments were agreed to.

ADJOURNMENT RESOLUTION

Mr. RAINEY. Mr. Speaker, I call up Senate Resolution 35, the adjournment resolution.

The Clerk read the resolution, as follows:

Resolved by the Senate (the House of Representatives concurring), That the two Houses of Congress shall adjourn on Saturday, the 16th of July, 1932, and when they adjourn on said day they stand adjourned sine die.

Mr. RAINEY. On that I move the previous question.

The question was taken; and on a division (demanded by Mr. LAGUARDIA and Mr. SCHAFER), there were 205 ayes and 20 noes.

Mr. SCHAFER. Mr. Speaker, I demand tellers.

The SPEAKER pro tempore. The gentleman from Wisconsin demands tellers. All those in favor of taking the vote by tellers will rise. Fifteen Members have arisen—not a sufficient number, and tellers are refused.

The question is on concurring in the joint resolution.

Mr. LAGUARDIA. Mr. Speaker, on that I ask for the yeas and nays.

The SPEAKER pro tempore. The gentleman from New York demands the yeas and nays. All those in favor of ordering the yeas and nays will rise. [After counting.] Twenty-eight Members have arisen—not a sufficient number. The yeas and nays are refused. The question is on agreeing to the concurrent resolution.

The question was taken; and on a division (demanded by Mr. SCHAFER) there were 195 ayes and 35 noes.

Mr. SCHAFER. Mr. Speaker, I ask for tellers.

The SPEAKER pro tempore. The question is on ordering tellers.

Fifteen Members rose—not a sufficient number, and tellers were refused.

So the concurrent resolution was agreed to.

ENROLLED BILLS AND JOINT RESOLUTION SIGNED

Mr. PARSONS, from the Committee on Enrolled Bills, reported that that committee had examined and found truly enrolled bills and joint resolution of the House of the following titles, which were thereupon signed by the Speaker pro tempore:

H. R. 10372. An act to authorize the Director of Public Buildings and Public Parks to employ landscape architects, architects, engineers, artists, or other expert consultants;

H. R. 12280. An act to create Federal home-loan banks, to provide for the supervision thereof, and for other purposes;

H. R. 12768. An act making an appropriation for the Federal home-loan bank board for the fiscal year ending June 30, 1933; and

The SPEAKER pro tempore announced his signature to bills of the Senate of the following titles:

S. 811. An act for the relief of Sophia A. Beers;

S. 2437. An act for the relief of the estate of Annie Lee Edgecumbe, deceased; and

S. 4712. An act authorizing the sale of certain lands no longer required for public purposes in the District of Columbia.

BILLS AND JOINT RESOLUTION PRESENTED TO THE PRESIDENT

Mr. PARSONS, from the Committee on Enrolled Bills, reported that that committee did on this day present to the President, for his approval, bills and a joint resolution of the House of the following titles:

H. R. 1289. An act for the relief of William Dalton;

H. R. 1834. An act for the relief of Claude E. Dove;

H. R. 2189. An act for the relief of Elsie M. Sears;

H. R. 2927. An act for the relief of George M. Peed;

H. R. 7199. An act for the relief of Frank Martin;

H. R. 7215. An act for the relief of May Weaver;

H. R. 9642. An act to relieve destitution, to broaden the lending powers of the Reconstruction Finance Corporation, and to create employment by providing for and expediting the public-works program;

H. R. 10372. An act to authorize the Director of Public Buildings and Public Parks to employ landscape architects, architects, engineers, artists, or other expert consultants;

H. R. 12280. An act to create Federal home-loan banks, to provide for the supervision thereof, and for other purposes;

H. R. 12281. An act to encourage the mining of coal adjacent to the Alaska Railroad in the Territory of Alaska, and for other purposes;

H. R. 12768. An act making an appropriation for the Federal Home Loan Bank Board for the fiscal year ending June 30, 1933; and

H. J. Res. 461. Joint resolution making appropriations to enable the Federal Farm Board to distribute Government-owned wheat and cotton to the American National Red Cross and other organizations for relief of distress.

EXTENSION OF REMARKS

BUDGET ESTIMATES REDUCED $334,000,000—1932 APPROPRIATIONS REDUCED $1,140,000,000

Mr. BYRNS. Mr. Speaker, there appears to have been a studied and concerted effort made to convince the country that the Congress of the United States has failed during this session in its effort to bring about economy.

The membership has known that the charges and insinuations were untrue and that their fallacy would be shown when the final record of appropriations was compiled and published.

All of the supply bills have now been passed, and it is possible to make a definite, positive statement as to what has been done in the way of reducing appropriations for the fiscal year 1933. Upon the convening of Congress in December the President sent to the House of Representatives his estimates and from time to time during the session additional estimates covering 1933 and prior fiscal years. The total amount of these estimates, exclusive of the permanent appropriations, is $4,643,945,196.90. The total appropriations, exclusive of permanent appropriations, is $4,309,651,102.72, making a total reduction in the estimates submitted of $334,294,094.18.

Of this amount $169,248,594 represents the reductions made in the estimates for the regular annual supply bills; $15,045,500.18 represents the reductions in estimates for the deficiency and miscellaneous bills; and $150,000,000, the amount of money estimated to be saved under the provisions of the economy bill which has been passed by Congress.

It should be said that approximately $22,000,000 of the reductions of over $184,000,000 carried in the regular bills represents reductions made by the Senate. The remainder represents the reductions made by the House. I feel that this statement should be made in justice to the House membership, for little publicity has been given to its accomplishments in bringing about reductions.

A detailed statement showing the comparison of estimates and appropriations and the reductions in estimates will be found in Table B appended hereto.

The total appropriations for the fiscal year 1932 amount to $5,026,046,098.18. The appropriations for the fiscal year 1933 amount to $3,886,192,479.24. This shows an actual reduction in appropriations for the fiscal year 1933 of $1,139,853,618.94 under those for last fiscal year.

Table A attached hereto will show these reductions by departments and establishments.

This is a remarkable showing and demonstrates to the country that Congress has responded to the appeal of the Nation for a drastic reduction in Government expenses. There can be no doubt but that the record made by this Congress at its first session is unequaled by any previous session of Congress in peace time. Let it be said also that this move in the interest of economy was undertaken long before the special messages of the President were sent to Congress urging that it be done. It was started back in December when the House Appropriations Committee first began to hold hearings on estimates submitted by the President for the annual supply bills and a number of these bills carrying substantial reductions had been actually reported to Congress before the first message appeared. It should also be said that these messages of the President consisted of mere generalities and there was no specific recommendation for the reduction of any particular item, notwithstanding the fact that the President has at his command the Bureau of the Budget and every department and bureau of the Government to advise him on the subject, and the further fact that under section 209 of the Budget and Accounting Act of 1921, the President had specific authority to make studies of duplications and overlapping of Government activities and to recommend eliminations and consolidations. It is evident that he had neglected to take advantage of this provision and the credit for these reductions belongs to Congress.

EXPENDITURES

The Federal expenditures for the three years of Mr. Hoover's four years are as follows:

Fiscal year:	
1929	$3,848,463,189.63
1930	3,994,152,487.09
1931	4,219,950,338.88
1932	5,006,590,307.07

It will be observed that there is an increase of $1,158,127,115.44 in expenditures for 1932 over those of 1929.

Appropriations for the fiscal year 1933 as made at this session total $3,886,192,479.24. If the expenditures for 1933 do not exceed that amount, the total expenditures for 1933 will be less than the actual expenditures for 1932 by $1,120,397,827.83.

GROSS PUBLIC DEBT

June 30, 1929	$16,931,088,434.10
June 30, 1930	16,185,309,831.43
June 30, 1931	16,801,281,491.71
June 30, 1932	19,487,002,444.13
June 30, 1932	19,487,002,444.13
June 30, 1930 (the low point in the Hoover régime)	16,185,309,831.43
Increase	3,301,692.612.70

TABLE A.—*Comparison of appropriations by departments and establishments, fiscal years 1932 and 1933*

[Amounts for each of these years in regular annual appropriation acts, deficiency appropriation acts, special acts, and amounts estimated under permanent appropriations

Department	Appropriations fiscal year 1932	Appropriations fiscal year 1933	Increase (+) or decrease (−), 1933 compared with 1932
Legislative branch:			
Regular annual	$28, 901, 749. 65	$18, 706, 141. 00	−$10, 195, 608. 65
Permanent and indefinite	234, 005. 00	109, 800. 00	−124, 205. 00
Total	29, 135, 754. 65	18, 815, 941. 00	−10, 319, 813. 65
Executive offices and independent offices:			
Regular annual—			
Federal Farm Board	101, 900, 000. 00	(1)	−101, 900, 000. 00
Veterans' Administration	1, 135, 892, 795. 53	948, 799, 000. 00	−187, 093, 795. 53
Reconstruction Finance Corporation	500, 000, 000. 00		−500, 000, 000. 00
Executive and independent offices	[2] 85, 494, 708. 05	33, 747, 041. 00	−51, 747, 667. 05
Permanent and indefinite	91, 021, 621. 00	81, 787, 550. 00	−9, 234, 071. 00
Total	1, 914, 309, 124. 58	1, 064, 333, 591. 00	−849, 975, 533. 58
Agriculture:			
Regular annual—			
Department proper	80, 435, 938. 85	[3] 66, 766, 665. 00	−13, 669, 273. 85
Roads, construction	187, 500, 000. 00	108, 905, 000. 00	−78, 595, 000. 00
Farmers' seed, feed, etc., loans	22, 000, 000. 00		−22, 000, 000. 00
Permanent and indefinite	11, 618, 436. 00	11, 211, 571. 00	−406, 865. 00
Total	301, 554, 374. 85	186, 883, 236. 00	−114, 671, 138. 85
Commerce, Department of:			
Regular annual	54, 716, 600. 70	39, 711, 408. 00	−15, 005, 192. 70
Permanent and indefinite	3, 000. 00	3, 000. 00	
Total	54, 719, 600. 70	39, 714, 408. 00	−15, 005, 192. 70
Interior Department:			
Regular annual	70, 030, 575. 53	52, 689, 374. 35	−17, 341, 201. 18
Permanent and indefinite	15, 952, 500. 00	13, 921, 800. 00	−2, 030, 700. 00
Total	85, 983, 075. 53	66, 611, 174. 35	−19, 371, 901. 18
Justice, Department of, and judiciary, regular annual only	51, 469, 855. 81	45, 996, 000. 00	−5, 473, 855. 81
Labor:			
Regular annual	15, 782, 281. 60	12, 920, 770. 00	−2, 861, 511. 60
Permanent and indefinite	9, 000. 00	4, 000. 00	−5, 000. 00
Total	15, 791, 281. 60	12, 924, 770. 00	−2, 866, 511. 60
Navy:			
Regular annual	358, 271, 936. 56	317, 583, 591. 00	−40, 688, 345. 56
Permanent and indefinite	1, 839, 470. 00	1, 322, 550. 00	−516, 920. 00
Total	360, 111, 406. 56	318, 906, 141. 00	−41, 205, 265. 56
Post Office Department, payable from postal revenues:			
Regular annual	842, 928, 855. 54	805, 939, 675. 00	−36, 989, 180. 54
Permanent annual	200, 000. 00	165, 000. 00	−35, 000. 00
Total	843, 128, 855. 54	806, 104, 675. 00	−37, 024, 180. 54
State:			
Regular annual	18, 809, 942. 54	13, 663, 792. 89	−5, 146, 149. 65
Permanent and indefinite	141, 233. 00	31, 000. 00	−110, 233. 00
Total	18, 951, 175. 54	13, 694, 792. 89	−5, 256, 382. 65
Treasury Department:			
Regular annual	261, 819, 265. 98	250, 308, 158. 00	−11, 511, 107. 98
Capital stock of Federal land banks	125, 000, 000. 00		−125, 000, 000. 00
Permanent and indefinite—			
Interest on the public debt	605, 000, 000. 00	640, 000. 000. 00	+35, 000, 000. 00
Public debt retirement funds	411, 946, 300. 00	496, 803, 478. 00	+84, 857, 178. 00
All other	25, 875, 084. 00	24, 719, 439. 00	−1, 155, 645. 00
Total	1, 429, 640, 649. 98	1, 411, 831, 075. 00	−17, 809, 574. 98

[1] Reappropriation of $800,000 for administrative expenses.
[2] Includes $35,000,000 for United States Shipping Board Construction loan fund.
[3] Includes $1,000,000 for Century of Progress Exposition.

TABLE A.—*Comparison of appropriations by departments and establishments, fiscal years 1932 and 1933*—Continued

Department	Appropriations fiscal year 1932	Appropriations fiscal year 1933	Increase (+) or decrease (−), 1933 compared with 1932
War Department:			
Military—			
Regular annual	$338, 948, 617. 32	$289, 500, 024. 00	−$49, 448, 593. 32
Permanent and indefinite	1, 375, 900. 00	1, 075, 900. 00	−300, 000. 00
Total, military	340, 324, 517. 32	290, 575, 924. 00	−49, 748, 593. 32
Nonmilitary—			
Regular annual	111, 074, 770. 00	106, 578, 489. 00	−4, 496, 281. 00
Permanent and indefinite	12, 929, 515. 00	11, 500, 640. 00	−1, 428, 875. 00
Total, nonmilitary	124, 004, 285. 00	118, 079, 129. 00	−5, 925, 156. 00
Total, War Department—			
Regular annual	450, 023, 387. 32	396, 078, 513. 00	−53, 944, 874. 32
Damage claims	5, 431. 14		−5, 431. 14
Permanent and indefinite	14, 305, 415. 00	12, 576, 540. 00	−1, 728, 875. 00
Total	464, 334, 233. 46	408, 655, 053. 00	−55, 679, 180. 46
District of Columbia:			
Regular annual	46, 155, 709. 38	41, 245, 622. 00	−4, 910, 087. 38
Permanent and indefinite	3, 261, 000. 00	3, 252, 000. 00	−9, 000. 00
Total	49, 416, 709. 38	44, 497, 622. 00	−4, 919, 087. 38
Grand total:			
Regular annual	4, 437, 139, 034. 18	3, 153, 060, 751. 24	−1, 284, 078, 282. 94
Permanent and indefinite	1, 181, 407, 064. 00	1, 285, 907, 728. 00	+104, 500, 664. 00
Grand total, exclusive of emergency relief and construction act	5, 618, 546, 098. 18	4, 438, 968, 479. 24	−1, 179, 577, 618. 94
Emergency relief and construction act of 1932		322, 224, 000. 00	+322, 224, 000. 00
Grand total, including emergency relief and construction act	5, 618, 546, 098. 18	4, 761, 192, 479. 24	−857, 353, 618. 94
Estimated postal revenues	592, 500, 000. 00	725, 000, 000. 00	+132, 500, 000. 00
Grand total, less estimated postal revenues	5, 026, 046, 098. 18	4, 036, 192, 479. 24	−989, 853, 618. 94
Estimated savings in appropriations for the fiscal year 1933 on account of the economy act		150, 000, 000. 00	−150, 000, 000. 00
Net total, after deducting savings on account of the economy act	5, 026, 046, 098. 18	3, 886, 192, 479. 24	−1, 139, 853, 618. 94

TABLE B.—*Comparison of appropriations by acts passed during the first session, Seventy-second Congress, with the Budget estimates therefor, excluding permanent appropriations and private acts*

Appropriating act	Budget estimate	Appropriation acts	Increase (+) or decrease (−) appropriations compared with estimates
REGULAR ANNUAL APPROPRIATION ACTS			
Agricultural	$188, 693, 405. 00	$175, 671, 665. 00	−$13, 021, 740. 00
District of Columbia	44, 094, 919. 00	41, 245, 622. 00	−2, 849, 297. 00
Independent offices	1, 041, 395, 041. 00	982, 446, 041. 00	−58, 949, 000. 00
Interior	[1] 52, 840, 352. 33	45, 533, 672. 33	−7, 306, 680. 00
Legislative	[2] 22, 094, 022. 00	18, 673, 991. 00	−3, 420, 031. 00
Navy	341, 677, 450. 00	317, 583, 591. 00	−24, 093, 859. 00
State, Justice, Commerce, and Labor:			
State	16, 683, 071. 89	13, 663, 792. 89	−3, 019, 279. 00
Justice	53, 900, 364. 00	45, 996, 000. 00	−7, 904, 364. 00
Commerce	44, 716, 304. 00	39, 711, 408. 00	−5, 004, 896. 00
Labor	14, 484, 397. 00	12, 920, 770. 00	−1, 563, 627. 00
Total, State, Justice, Commerce, and Labor	129, 784, 136. 89	112, 291, 970. 89	−17, 492, 166. 00

[1] This sum excludes $4,000,000 transferred to second deficiency bill estimates on account of Boulder Canyon project.

[2] This sum excludes $5,000 transferred to second deficiency bill estimates on account of assistants in the office of the Clerk of the House of Representatives.

TABLE B.—*Comparison of appropriations by acts passed during the first session, Seventy-second Congress, with the Budget estimates therefor, excluding permanent appropriations and private acts*—Continued

Appropriating act	Budget estimate	Appropriation acts	Increase (+) or decrease (−) appropriations compared with estimates
REGULAR ANNUAL APPROPRIATION ACTS—continued			
Treasury and Post Office:			
Treasury	$269, 016, 418. 00	$250, 308, 158. 00	−$18, 708, 260. 00
Post Office	814, 061, 987. 00	805, 939, 675. 00	−8, 122, 312. 00
Total, Treasury and Post Office	1, 083, 078, 405. 00	1, 056, 247, 833. 00	−26, 830, 572. 00
War:			
Military activities	301, 030, 642. 00	289, 500, 024. 00	−11, 530, 618. 00
Nonmilitary activities	110, 333, 120. 00	106, 578, 489. 00	−3, 754, 631. 00
Total, War	411, 363, 762. 00	396, 078, 513. 00	−15, 285, 249. 00
Total, regular appropriation acts	[3] 3,315, 021, 493. 22	3, 145, 772, 899. 22	−169, 248, 594. 00
DEFICIENCY APPROPRIATION ACTS			
First deficiency, 1932	141, 031, 184. 07	126, 250, 333. 89	−14, 780, 850. 18
Second deficiency, 1932	[4] 22, 779, 019. 61	22, 682, 369. 61	−96, 650. 00
Total deficiency acts	163, 810, 203. 68	148, 932, 703. 50	−14, 877, 500. 18
Total, regular annual and deficiency acts	3, 478, 831, 696. 90	3, 294, 705, 602. 72	−184, 126, 094. 18
SPECIAL APPROPRIATION ACTS			
Reconstruction Finance Corporation	500, 000, 000. 00	500, 000, 000. 00	
Emergency relief and construction act	[5] 322, 224, 000. 00	322, 224, 000. 00	
Federal land banks	125, 000, 000. 00	125, 000, 000. 00	
Veterans' Administration:			
Adjusted compensation, etc	203, 925, 000. 00	203, 925, 000. 00	
Pensions	12, 750, 000. 00	12, 750, 000. 00	
Miscellaneous	1, 214, 500. 00	1, 046, 500. 00	−168, 000. 00
Total, special acts	1, 165, 113, 500. 00	1, 164, 945, 500. 00	−168, 000. 00
Grand total	4, 643, 945, 196. 90	4, 459, 651, 102. 72	−184, 294, 094. 18
Deduct estimated savings in appropriations for 1933 on account of the economy act		150, 000, 000. 00	−150, 000, 000. 00
Net grand total	[6] 4, 643, 945, 196. 90	[6] 4, 309, 651, 102. 72	−334, 294, 094. 18

[3] This sum excludes $4,005,000 transferred as indicated in notes 1 and 2.
[4] This sum includes $4,005,000 transferred as indicated in notes 1 and 2.
[5] No formal budget estimate submitted. This sum included pursuant to indicated approval by the President in his message of July 11, 1932.
[6] These totals are exclusive of permanent appropriations and private acts.

EIGHT YEARS OF CONGRESS

Mr. GIBSON. Mr. Speaker, every Member of Congress should keep his constituents informed as to his work. I am setting forth a résumé of a few of the principal things that have been accomplished during the eight years it has been my privilege to represent the people of the second congressional district of Vermont. In these matters I do not claim to have been the sole moving force, but it has been my purpose to do my full part of the work.

IN BEHALF OF VERMONT

Every effort has been made to improve conditions as to agriculture and business. Proper tariff rates for our products were secured in the last tariff act. We have supported helpful measures for the relief of agriculture. The old reclamation policy of using millions of the money of the people in the development of limited areas far from markets is being opposed, and the policy of reclaiming the worn-out lands of New England is advocated.

We have been watchful to see that Vermont products have been included and used for building projects and for Government work.

Close touch has been maintained with our banking institutions and Government agencies during the crisis of the depression and helpful assistance rendered. We can boast that not a single bank failed in Vermont.

The adoption of a policy of building immigration and customs stations along the borders of the country was started and secured. Out of 47 stations selected, 11 are in our State. Our ports of entry have become important; over half a million people enter each year at Derby Line alone. As a result of this policy, stations will be built at Beecher Falls, Canaan, Norton Mills, North Troy, Highgate Springs, Richford, West Berkshire, and Alburg. The building at Derby Line is nearing completion.

A comprehensive public-building policy has been brought about. A new post office has been completed at Bellows Falls. Construction of Government buildings will soon be commenced at Springfield and at White River Junction, and an addition made to the Federal building at Montpelier. In the first district, through the efforts of former Representative Hon. E. S. Bingham and the present Member, Governor WEEKS, buildings will be erected at Middlebury and St. Albans. A new post-office building and courthouse is under

construction at Rutland. The total amount authorized for all these Federal buildings is $2,010,000.

It was a privilege to cooperate with the late Senator Greene in securing an artillery range for use in connection with the post at Fort Ethan Allen.

Other results include the authorization in the State of a national forest reserve of 100,000 acres that will attract visitors by the thousands when developed; the securing of aid to the extent of $2,654,000 in rebuilding our roads and bridges destroyed by the disastrous flood of 1927, after one of the most complicated and spirited legislative battles of a generation; protection of our rural communities by the extension of rural service wherever possible; and the prevention of the discontinuance of post offices.

FEDERAL EMPLOYEES

It has been a satisfaction to be of direct assistance to all employees of the Government in helping to shape their retirement legislation, in arranging adjustments of differences, in securing better mail and other facilities, and the supplying of advice of Government experts for all the problems of the people.

WORK FOR THE VETERANS

Work for the veterans of all our wars has included the adjustment of hundreds of claims and the handling of thousands of compensation, pension, allowance, refund, and hospital cases.

Passing on all legislation in behalf of veterans by reason of membership of the Committee on World War Veterans' Legislation.

The securing of the passage of laws to safeguard and protect the estates of veterans under guardianship.

The breaking up of the practice growing out of handling the estates of insane veterans which had resulted in the taking of hundred of thousands of dollars from them.

Help in securing a veterans' hospital for Vermont, soon to be erected at a cost of $325,000, over powerful and resourceful opposition.

Special work in connection with claims of Civil War and Spanish War veterans and their widows by maintaining a friendly and helpful contact with our efficient Pension Bureau.

THE DISTRICT OF COLUMBIA

Under the provisions of the Constitution, Congress must "exercise exclusive legislation in all cases whatsoever" over the District of Columbia. In no other place in that document is repetition of language used for the sake of emphasis. So, in effect, every Member of Congress represents the people of the District. Having in mind the splendid constructive work for the Federal City by Morrill, Dillingham, Grout, and many other Vermonters, in assuming a full measure of responsibility under the Constitution, I was glad to accept a place on the District Committee of the House. In carrying out my duties in that connection I introduced and assisted in securing the passage of legislation that resulted in the establishment and extension of the park and playground system.

The establishment of the Park and Planning Commission to coordinate all efforts to make the capital city of our country the most beautiful in the world.

The authorization for the erection of much-needed school buildings under a comprehensive 5-year building program.

The authorization for the erection of a tubercular children's sanatorium for the care of hundreds of tubercular children.

And an enactment of the license-fee law that adds $100,000 per annum income to the District.

Under my direction a complete survey was made of some 40 departments and services which resulted in beneficial adjustments, the changing of certain officials and the saving of half a million dollars annually to the taxpayers of Washington and the country.

GOVERNMENT PROJECTS AND THE DEPRESSION

All of the foregoing appropriations for Government buildings and activities were secured during the period of good times. Now, that the Nation is facing a crisis and passing through an unprecedented depression, I have voted for the cutting of appropriations to the bone and for economies wherever they could be made. I have not pushed for the completion of Government projects in Vermont during the past year except where the money for the same had been appropriated and set aside. I know that my constituents are ready to do their part in helping their Government at this time. That is our duty and Vermonters have always done their full duty. So, I feel we should allow some projects out of which we will receive benefits to stand aside until the return of prosperity. If we are to have real economy we must practice it in fact and cheerfully make whatever sacrifices are necessary.

SENIORITY

By reason of length of service I stand well up on the Committee on Territories dealing with Alaska and Hawaii, the Committee on the Civil Service handling legislation concerning the hundreds of thousands of our Government employees, and the Committee on World War Veterans' Legislation, which looks after legislation affecting the millions of service men. In the event of a change in the political complexion of the House, I would be eligible for chairmanship of one of these committees and be in a position to render better service to my constituents and to the people of the country.

THE RECORD MADE BY THE DEMOCRATIC HOUSE IN THE FIRST SESSION OF THE SEVENTY-SECOND CONGRESS

Mr. RAINEY. Mr. Speaker, there have been passed through the Democratic House in the first session of the Seventy-second Congress 290 public laws, 168 private laws, and 39 public resolutions, 260 House and Senate bills, 11 House and Senate joint resolutions, and 134 House resolutions.

This record will equal the record made by any other Congress in the last quarter of a century. All these bills have been passed in spite of the strenuous, long-continued controversies over some of the major bills.

The House passed 11 appropriation bills.

It passed the President's moratorium proposition. The President committed Members of Congress to this proposition by sending them telegrams in the month of June in last year. If the Members had not committed themselves by their replies to these telegrams, the proposition would have been defeated.

The House established and financed the Reconstruction Finance Corporation, with $2,000,000,000 capital. We have also passed through the House an amendment to the original bill providing for $1,500,000,000 in new capital. This bill is known as the relief bill. It was introduced in the House by the majority leader and contained what was known as the Garner plan method of relief. The Garner plan method provided for loans not only to big banks, railroads, and insurance companies, but to individuals and corporations and municipalities. The bill was vetoed in advance by the President and afterwards these features were destroyed by the President and at the present time the bill contains measures of relief for self-liquidating projects, which may be hard to find. The bill, I am afraid, carries now the minimum of relief.

A bill was introduced in the House by the majority leader which would have had the effect of giving to producers of wheat and hogs and cotton the benefit of the tariff. This bill was also introduced in the Senate and passed the Senate. It was recalled, however, from the Speaker's desk in the House at the instance of one of the administration leaders in the Senate, and it was killed.

We have passed bills providing for additional capital for Federal land banks and for revision of Judicial and Penal Code of Panama.

We have passed through the House legislation making more stringent the regulations in the matter of alien actors, musicians, and so forth. This bill has been held up in the Senate.

We passed through the House a prevailing rate of wages bill applying to public works, and it was vetoed by the President.

We passed through the House a bill providing for the donation of large amounts of wheat and cotton and the distribution of the same, which has become a law, and the distribution is now going on.

We have passed through the House the anti-injunction bill, which received finally the approval of the President and it is now a law.

We have passed through the House a bill providing for a more dependable and abundant supply of money for intermediate credit banks and a lower rate of interest. The bill has passed the Senate and has become a law.

We have passed through the House an antikidnaping bill, which was passed by the Senate and met with the approval of the President.

We passed through the House the economy bill, which was finally passed by the Senate and approved by the President after some of its important economy propositions were eliminated.

The relief bill which was introduced in the House by the majority leader, and which embodies the Garner plan, contained also a publicity feature which met with strenuous objection from the White House. The publicity feature simply required that an account of loans made by the Reconstruction Finance Corporation be filed monthly with the Clerk of the House and the Secretary of the Senate, whether the Congress is in session or not. This makes them public documents at once, and the public is entitled to know what becomes of the money furnished by the taxpayers. The President, however, finally agreed to sign the bill with these provisions in it, and this afternoon the conference report in the relief bill was also adopted by the Senate.

ECONOMIES

Last year there was a deficit of $3,000,000,000, the largest deficit in the history of nations. This deficit has now been carried into the public debt and adds to the public debt that much money. In 1929 the gross amount of the public debt in round numbers was nearly $17,000,000,000. The public debt now is approximately $19,500,000,000.

An enormous amount of new and irritating taxes have been imposed, amounting to over $1,000,000,000, and this has been necessary notwithstanding the fact that Mr. Hoover's Budget estimates have been reduced by the House over $300,000,000.

Over one-half of this amount represents reductions made in the estimates for the regular annual supply bills. Under the economy bill which has been passed, over $150,000,000 will be saved. There is an actual reduction in the appropriations for the fiscal year of 1933 of over $1,100,000,000 over the fiscal year 1932.

Under the three years which have elapsed of Mr. Hoover's 4-year term the expenditures increased approximately $1,300,000,000.

The Democratic House has made a splendid record and is ready to go to the country with its achievements.

THE SEVENTY-SECOND CONGRESS

Mr. WILLIAM E. HULL. Mr. Speaker, omitting the committees of the House which are of minor importance because they do not deal with any national problems—such committees as those on Enrolled Bills, Disposition of Useless Executive Papers, special election committees, Library, Memorials, Printing, and a few others—there are 34 standing committees of the United States House of Representatives. In the present Congress all of these are organized by the Democrats. All of them have Democratic chairmen.

Of these 34 committees, the chairmanship of 21 rests in Southern States, with Texas leading the list, having the chairmanship of the Committees on Agriculture, Interstate Commerce, Judiciary, Public Buildings, Rivers and Harbors, and Territories. Mississippi and Alabama each have four chairmanships, Mississippi having the chairmanship of the Committee on Irrigation and Reclamation, Committee on Military Affairs, Ways and Means Committee, and Committee on World War Veterans' Legislation. Alabama's chairmanships are those of the Banking and Currency Committee, Civil Service, Roads, and War Claims. Tennessee has the chairmanship of the Committee on Appropriations and the Committee on Merchant Marine. South Carolina has two chairmanships, those of Insular Affairs and Pensions Georgia has the chairmanship of the Committee on Naval Affairs; Louisiana, Flood Control; and North Carolina, the chairmanship on Rules.

Of the Northern States, New York has 5 of the 13 chairmanships, they being Committee on Claims, Committee on Coinage, Weights, and Measures, Committee on Immigration, Committee on Patents, and Committee on the Post Office and Post Roads. New York with its 5 chairmanships, plus 8 Southern States with 21 chairmanships, gives 26 of the 34 important committees of the House to 9 States. The other 8 chairmanships of relatively important committees are: Massachusetts with 2, those of Education and Labor; Maryland with 1, on Foreign Affairs; Ohio 1, on Invalid Pensions; West Virginia 1, on Mines and Mining; Nebraska 1, on Indian Affairs; Montana 1, on Public Lands; and New Jersey 1, on the District of Columbia. The control, then, of legislation affecting the United States virtually rests with Members of this Congress from nine States, or less than one-fifth of the total number of States in the Union. This evil is further accentuated by the fact that eight of these States all are in one section of the United States. It is impossible under these conditions to originate legislation that is national in its viewpoint and operates without injustice and inequality upon the country as a whole. Legislation dominated by such a small group of States, all but one of which are in one section of the country, can not but be sectional in its purpose and sectional in its operation.

No more conclusive proof of that fact may be found than the manner in which our Federal taxes are levied and the manner in which they are expended. Our present national deficit is due to a system of Federal taxation which is the product of the Democratic Party—the income tax. Our first income tax was enacted by the Sixty-third Congress, in which the Democratic Party had a majority of 163 in the House and a majority of 7 in the Senate, the largest Democratic majority ever recorded in the American Congress. It was enacted as a section of the Underwood tariff. It was enacted for the purpose of compelling northern industries and northern commercial interests to bear the burden of raising the bulk of Federal taxes. It was not intended, at the time it was conceived, to be an equitable tax. It was not expected by the Democratic Congress, which wrote it upon our statute books, to be an equitable tax. It was intended and expected to be a sectional tax, whereby all other sections of the United States, except the solid Democratic South, would practically furnish the taxes to run the Federal Government.

And that is exactly what the income tax has proved to be—a sectional tax, an inequitable tax, and, in times of depression, an inadequate tax. Let us take 12 Democratic States which, with the single exception of Tennessee upon one occasion, have never had a Republican governor or a Republican State legislature, and see what those States paid the Government in Federal income taxes for the fiscal year ending June 30, 1931, the last fiscal year for which we have detailed figures. The States are: Alabama, Arkansas, Florida, Georgia, Mississippi, North Carolina, Oklahoma, South Carolina, Tennessee, Texas, and Virginia. The record is perfectly astounding. Mississippi, which holds four chairmanships in the present House of Representatives, contributed eight one-hundredths of 1 per cent of the total Federal income tax. Arkansas and South Carolina each contributed nine one-hundredths of 1 per cent.

Alabama, another State which holds chairmanships of four important committees in the present House, contributed one-fourth of 1 per cent. In fact, only 2 of the 12 States—Texas and Virginia—contributed more than 1 per cent of the total Federal income tax collected in the fiscal year which ended June 30, 1931. Virginia contributed 1.03 per cent of the total, and Texas contributed 1.7 per cent of the total. All told, these 12 States, which embrace 25.3 per cent of the population of the United States, according to the 1930 census, paid into the Federal Treasury a total of

only $119,803,043 in income tax for the fiscal year ending June 30, 1931. This was only 6.44 per cent of the total income tax collected that year.

Now let us take a group of Northern States, generally Republican, but well represented in this body by Democratic Congressmen, States which embrace 22.24 per cent of the total population of the United States; that is, embrace a population slightly less than the population of the 12 Southern States. These States are: Illinois, Massachusetts, Michigan, Ohio, and New Jersey. Less income tax was collected in New Jersey than in any one of the group, yet the amount of income tax collected in New Jersey for the year mentioned amounted to $71,658,000, or 3.3 per cent of the total income tax collected in the United States. The State of Illinois, with only 6.19 per cent of the total population of the United States, as against 25 per cent living in the group of Southern States mentioned, paid $173,000,000 in income tax, or 9.33 per cent of the total amount of income tax collected that year. To phrase it another way, the State of Illinois, with less than 7 per cent of the total population, as against 25 per cent living in the Southern States, contributed 50 per cent more income tax to the Federal Government in 1931 than all the Southern States put together.

The group of five Northern States mentioned, with a little less population than the group of Southern States mentioned, paid into the Federal Treasury $527,000,000 in income tax, or 26.6 per cent of all the income tax collected that year. In other words, a group of Northern States with a little less population than the group of Southern States contributed four times as much taxes to the Federal Government as the group of Southern States. How can this be justified from any standpoint of fairness or from any economic standpoint? It is axiomatic that taxes should be equitably distributed. No one can defend any Federal tax system which imposes a disproportionately greater burden upon a group of industries or commercial enterprises or a group of States than is imposed upon like industry and like commercial enterprises elsewhere in the country. No less a distinguished Democrat than former Gov. Alfred E. Smith, in a speech delivered over a nation-wide radio hook-up on the evening of May 16 last, in discussing the problem of Federal taxation said:

> Moreover, any strain which is imposed should be fairly and evenly distributed over all business, all industry, all occupations, all callings. That is good, sound, American principle. In other words, the desirable thing to do at the present moment is to broaden the base of taxation so that the whole country will bear its full and just share of the burden.

Governor Smith made these remarks in connection with his argument in support of a sales tax, which he said Congress should pass. That such a sales tax was not passed by this body is due to the vote of the Democrats from the States which I have enumerated. The proof of this is found in the record. Out of the 128 southern Democrats, only 14 voted for the sales-tax feature of the taxation bill as reported to this House by the Democratic Ways and Means Committee. The arguments advanced by those Democrats in support of their position are illogical and hypocritical. They claimed they were against the sales tax because it imposed a heavier burden upon the poor man than upon the rich man. That is not true. Food was exempted, shelter was exempted, and these two items constitute the largest item of expense to that class of people who are labeled by our Democratic opponents as being "the poor people." Governor Smith, in the address just referred to, analyzed what the sales tax would cost the average poor man, and it amounted to only $8 a year.

The charge that a sales tax operates inequitably, to the injury of the poor man, can not be sustained. No facts can be produced in support of it. The rate of taxation is the same upon rich and poor alike, and the contribution by each individual is in direct proportion to his purchases. For example, the poor man purchases a Ford. The present price of roadsters is $480 to $750. A sales tax of 2½ per cent on a $750 Ford would be $18.75. The rich man patronizes the same company, but buys a Lincoln at $7,300. His sales tax would be $95.50. It works out the same way with any article of merchandise upon which a sales tax is imposed.

A poor man spending $1,000 a year on merchandise upon which there is a sales tax pays $25 tax; a richer man spending $10,000 a year pays $250 tax; one spending $100,000 contributes $2,500 tax. Applying the sales tax to any commodity, any article of merchandise, you can not reach any other than the honest conclusion that under a sales tax each man pays exactly in proportion to his expenditures, and that is the most equitable and the most just system of taxation that could possibly be devised. It is exactly in line with the Democratic platform adopted by the Democratic convention at Chicago this month declaring in favor of a system of taxation based upon ability to pay. The man with a $100,000 income is able to pay ten times the tax of the man with a $10,000 income, and under the sales tax he does.

Therefore, the sales tax was not opposed by Representatives from the Southern States because it would operate unjustly against the people of their States and would enable, as they charged, the rich to escape their just proportion. The gentlemen from the Southern States who opposed the sales tax opposed it for exactly the opposite reason. They opposed it because they did not want the people from their communities to pay their fair proportion of the Federal income, and they did want the people of the Northern States to pay more than their fair share of the Federal income. The sales tax was opposed because it was a fair tax. The income tax is preferred by those opposing the sales tax because it is not a fair tax.

The attitude of the gentleman, maintaining an almost fanatical opposition for the sales tax and an almost equally fanatical support of an income tax, is based upon the doctrine which we have heard openly advocated upon the floor of this House, that in framing a tax bill the thing to do is to "soak the rich." If an individual or an industry or a commercial enterprise has been successful by the application of diligence, good judgment, thrift, foresight, then the proposition is made by the "soak-the-rich" school of political economists that the thing to do is to penalize that individual, that industry, and that commercial enterprise; pick their pockets, because they have been successful; club them over the head with confiscatory tax rates, because they are building up your communities and your Nation; take away from them their accumulations which they have honestly earned and have maintained by the application of thrift; make it an economic crime in this country to get ahead, to be a successful business man, or to own a profitable industry. That is the theory back of those who have opposed the sales tax and that is the theory which underlies the income tax.

There can be no doubt as to the motive back of the writing of the first income tax law. It was directed at northern business and northern industry. It was a part and parcel of a tariff law which also was directed at northern industry and northern agriculture. The Democrats in this House profess great friendship for the farmer and apparently are solicitous as to his welfare, but in the last tariff law which the Democratic Party enacted, the Underwood law of 1913, the Democratic Party took particular pains to put the following agricultural products upon the free list: All cattle and all meat products such as bacon, ham, beef, veal, and so forth; sheep, mutton, and wool; wheat, corn, buckwheat, rye, clover seed, alfalfa; milk, cream, cheese, fresh eggs, lard, casein, and potatoes. That is what the Democratic Party in the Underwood tariff law did to the northern farmer. But what did it do to the southern farmer? He needed no protection on his principal crop—cotton—because at that time he controlled the cotton market of the world, but on every single product which the southern farmer at that time was raising, the Democratic Underwood tariff gave ample protection. It protected his tobacco. It protected his peanuts and other nuts which are raised only in a southern climate and which were suffering competition from edible nuts imported from South America and southern Europe. It protected his onions, even the onions grown in the home district of the

Speaker of this House, which are in danger of competition from onions grown across the line in Mexico. It protected his tomatoes from the tomatoes of southern Europe. It protected his fruits from the competition of fruits raised in Cuba and in other Central and South American countries, as well as those countries of Europe which produced fruits in competition.

That is the rank and indefensible discrimination written in the Underwood tariff of 1913, a discrimination purposely made against northern agriculture, just as the other section of that act wrote an income tax law which purposely discriminated against northern industry and northern capital.

And that is exactly the character of the tariff which the Democrats of this House voted for when they passed the tariff law that was recently vetoed by President Hoover. They passed a law which called upon the President to summon an international conference at which representatives of all nations should sit around a table with one representative from this Nation, and out of that conference in which we were one against the world there should emerge tariff agreements of a so-called reciprocal character.

At the recent Chicago convention this astounding proposal was written into the Democratic platform and became a part of the Democratic Party's program which it now is pledged to carry out, if it should be successful next November. What does that mean? That means that the United States at such an international conference must agree to lowering our protective rates on imports in return for other nations agreeing to lower certain rates on their imports. And what do you suppose the representatives of the Governments of Argentina, Uruguay, Brazil, Canada, Australia, and New Zealand would ask? They would ask for lower rates on the things which they export. What are they? Agricultural products, cattle, beef, mutton, wool, wheat, corn, rye, and dairy products. No nation sitting at that council table could affect the cotton planter.

The agricultural interests of this country which would be asked to make concessions would be those of the Northern States—the wheat and corn farmer, the cattle farmer, the dairy farmer. That is exactly the arrangement that would emerge from an international council called by us for the purpose of ascertaining what they wanted us to sacrifice. Reciprocity—exactly the same sort of reciprocity as that contained in the fable where the rooster suggested to the elephant that they enter into an agreement not to step on each other's toes.

Nor did the sectionalism, which dominates the Democratic Party and which is in evidence in every act of every Democratic Congress that has ever assembled, end in 1913 with the enactment of an unjust tax law and an unjust tariff law, both having for their avowed purpose the penalizing of northern industry and the northern farmer, but that sectionalism went further. It was during the Democratic rule under President Wilson that there was written upon our Federal statute books the Federal aid acts, acts designed to siphon from the Federal Treasury money contributed by the taxpayers of the North, in order that the Southern States might benefit. There was no demand from Northern States for the Federal highway act. They were perfectly willing and perfectly able to build their own highways, and were doing so. The great Northern States did not demand that the Federal Government step in and assist them in constructing their public roads. They were doing that by a system of State and local taxation. The Federal highway act was introduced by a Missouri Democrat, Representative Shackleford, and was passed by both branches of a Democratic Congress. It was done for the purpose, openly expressed and advocated upon the floor of the House, of enabling southern communities to get out of the mud.

Northern agricultural communities at that time were not clamoring for Federal aid to improve the methods of agriculture and teach the farmer how to be thrifty. The States in the North were doing that with their own agricultural colleges, supported by State and local taxation. The agricultural extension act, which thrust the Federal Government into the position of spending millions of dollars annually for the purpose of educating farmers in the elements of husbandry, was a Democratic law written under the Wilson régime and known as the Smith-Lever Act, taking its name from two well-known and very distinguished southern Democrats. The purpose of these bills and other like legislation was to enable the southern communities and southern interests to reach their hands into the Federal Treasury and take therefrom money which had been placed there by northern communities, northern industries, northern enterprises, and use it not to upbuild the Federal Government but to improve Southern States in a material way.

The proof of this is again found in the record. It was shown above that in the fiscal year ending June 30, 1931, 12 Democratic States contributed in Federal income taxes $119,803,000, or 6½ per cent of the total income tax collected that year. The same year these States received back from the Federal Government in Federal aid $61,731,351, or 51½ per cent of the Federal taxes they had paid in. Alabama received from the Federal Treasury more money in actual dollars and cents than it contributed to the Federal Treasury. Arkansas received four times as much money from the Federal Treasury as contributed in income tax. Georgia received more than it contributed. Mississippi received more than it contributed.

South Carolina received three times as much as it contributed. And this was done under laws enacted by Democratic Congresses between the years 1913 and 1917. These 12 Southern States in the fiscal year 1931 contributed, in round numbers, $120,000,000 in income tax to the Federal Government and got one-half of it back right away to build their roads, to improve their farms, and otherwise to develop those States in a material way. The group of Northern States above referred to—that is, Illinois, Massachusetts, Michigan, Ohio, and New Jersey—contributed $527,000,000 in support of the Federal Government and received back only $30,000,000, or 5 per cent of what they paid in. The great State of Massachusetts received in Federal aid less than the State of Alabama, less than the State of Arkansas, less than the State of North Carolina, less than the State of Georgia, less than the State of South Carolina, less than the State of Oklahoma, only one-third of what was paid out to the State of Texas. Yet the State of Massachusetts contributed in Federal taxes $83,000,000.

The State of Michigan, which contributed in Federal taxes in 1931 $103,000,000, or within $16,000,000 as much as the entire southern group of States combined, received back in Federal aid less than any of the States I have mentioned. The State of Texas, which controls six of the most important committee chairmanships in this House as well as the Speaker, received in Federal aid in the fiscal year 1931 more money than any other State in the Union. It contributed $32,000,000 to the Federal Treasury and got one-third of it back by Federal-aid appropriations of $11,354,000. This fact probably accounts for the "pork-barrel" viewpoint of Speaker GARNER, the Democratic candidate for Vice President. The Democratic State of Texas has become so accustomed to siphoning funds out of the Federal Treasury that Democrats from that State can see nothing unfair or uneconomic about such a policy.

Not satisfied with these hand-outs from the Federal Treasury, to which those States contributed less than any other section of the United States; not satisfied with having written upon the Federal statute books a law which provides that the Federal Government shall contribute one-half of the funds in any State for the construction of public roads, southern Democrats have introduced bills in both branches of this Congress and have vigorously pushed them toward enactment to complete the raid upon the Federal Treasury by having the Federal Government contribute all the money necessary for the construction of public highways in southern communities, and then proceeded to write a tax law which would compel the money they thus obtained to be raised in northern communities.

Nor did this sectional legislation, directed at northern business, northern industries, northern capital, end with an unjust tax law, a vicious tariff law, and numerous Federal

aid laws. But the Sixty-third Congress which wrote the tax law, which wrote the tariff law, which enacted some of the Federal aid laws, decided that they wanted to regulate still further northern industries. They decided they wished not to prosecute but to persecute northern industries, and so they created the Federal Trade Commission, which has for its avowed purpose the harassment of business and industry.

And the next Democratic Congress, knowing that the Republicans were going to return to power and repeal the iniquitous tariff law, decided they would perpetuate, if possible, some of the iniquity of that law through a tariff commission, and the Sixty-fourth Congress, Democratic in both branches, created the United States Tariff Commission, and the Democratic President named as members of that commission a solid body of Democrats, with one exception. That act in itself proves that the creation of that Tariff Commission was not in the interest of equity. It was not in the interest of a scientific tariff. It was not in the interest of an economic tariff. It was not in the interest of a fair tariff. Had the purpose of that law been a scientific tariff, a fair tariff, a nonpartisan tariff, the Democratic President would not have loaded that commission with a solid Democratic personnel with one exception, and if he did—as he did—had the Democratic Congress really desired what it professed, namely, a nonpartisan, scientific administration of the tariff laws, it would have refused to confirm his flagrant violation of the nonpartisan principle.

To illustrate how this unfair tax system works out in dollars and cents for the benefit of the 12 Southern States, the following figures are presented, using the year ending June 30, 1931, for an example:

State	Income-tax receipts	Per cent total income-tax receipts	Amount of Federal aid
Alabama	$4,308,287.33	0.023	$4,519,850.00
Arkansas	1,816,021.07	.09	5,169,972.00
Florida	7,838,885.72	.42	2,669,058.00
Georgia	6,389,386.65	.34	6,799,955.00
Louisiana	7,666,903.02	.41	2,372,931.00
Mississippi	1,502,901.33	.08	1,924,692.00
North Carolina	13,720,308.43	.74	5,389,955.00
Oklahoma	14,657,487.68	.79	6,816,913.00
South Carolina	1,807,156.90	.09	4,226,209.00
Tennessee	9,284,228.52	.50	5,751,188.00
Texas	31,604,743.66	1.70	11,353,739.00
Virginia	19,206,733.19	1.03	4,736,889.00
Total	119,803,043.00	6.44	61,731,351.00
Illinois	173,675,584.00	9.33	8,265,926.00
Massachusetts	83,431,473.00	4.4	4,007,488.00
Michigan	102,367,974.00	5.0	4,984,165.00
Ohio	96,002,613.00	4.6	9,794,035.00
New Jersey	71,657,935.00	3.3	3,512,660.00
Total	527,135,579.00	26.6	30,564,274.00

According to the figures furnished by the United States Census Bureau for the year 1930, the following is the percentage the population of the several States bears to the total population of the country:

Alabama	2.15	Illinois	6.19
Arkansas	1.51	Massachusetts	3.45
Florida	1.19	Michigan	3.93
Georgia	2.36	Ohio	5.39
Louisiana	1.71	New Jersey	3.28
Mississippi	1.63		
North Carolina	2.57	Total	22.24
Oklahoma	1.95		
South Carolina	1.41		
Tennessee	2.12		
Texas	4.73		
Virginia	1.97		
Total	25.3		

The above figures show that the group of Southern States received in Federal aid 51.5 per cent of the total amount they paid to the Federal Government in income taxes, while the group of Northern States received 5.8 per cent of the total amount they paid the Federal Government in income taxes.

It may be further interesting to note that New York, the only State whose Democratic organization has joined hands with the South, paid in income tax to the Federal Government for the fiscal year 1931, $614,960,831, which was 33 per cent of the total Federal income tax collected for that year. New York received in return from the Federal Government in Federal aid $9,001,772, which is only 1.4 per cent of the amount she paid to the Government in income tax. New York contains 10.22 per cent of the total population of the United States.

How can the Democratic Members of this House hailing from Massachusetts, Ohio, Illinois, Michigan, New Jersey, and other Northern States face their constituents, go back home to their farmers, their business men, and their industries, and explain away the actions of their party? How can they, from the platform and over the radio, claim the Democratic Party, as it has been and still is constituted and organized, to be a national party, a party which represents the interests of all the people and of all sections of the country?

How can they pretend to their constituency that a party which in this very session of Congress turns over the control of 21 out of 34 of the most important committees in this House to a group of eight Southern States, allowing Texas to have 6, Alabama to have 4, Mississippi to have 4, is deserving of the support of any northern Democrat who has the welfare of his own community and his own State and his own business at heart? How can they explain the fact that they vote for laws on the floor of this House, brought out from these committees controlled by Representatives from only 8 States, which continuously drain the industries and the commercial enterprises and the individuals of northern States—northern Democrats, if you please—in order that millions of funds may be poured into the limited area of 8 or 9 States south of the Potomac River? How can they defend a tax law which avowedly is written for the purpose of "soaking" every northern Democratic business man, every northern Democratic industrial leader, and every northern Democratic investor?

CURRENCY EXPANSION AND FARM RELIEF

Mr. WILLIAMSON. Mr. Speaker, this session is about to come to a close. There are but two matters undisposed of that should receive the attention of the Congress before adjournment and they are the Glass bill attached by Senator BORAH as a rider on the home loan bank bill, and the Norbeck domestic allotment farm relief bill.

The first of these is intended to bring about an expansion of the currency—not an expansion which will jeopardize our whole financial structure by an uncontrollable inflation—but an expansion that is limited both in amount and duration. An addition of a possible $900,000,000 to our circulating medium by giving the circulating privilege to that amount of Government bonds is safe and in my judgment would stimulate farm commodity prices and thereby help the whole country. It would enable the national banks to provide themselves with the necessary cash to move the crops and to transact the business demanded by industry and agriculture.

It is true we have provided for a vast extension of credit through the Reconstruction Finance Corporation which is available to business, industry, and agriculture; but available credit will not greatly help commodity prices. It will be of great aid in helping industry to get back on its feet. To the extent that it does this, it will afford employment and thereby help restore purchasing power. This will improve demand by stimulating consumption which in its turn will tend to improve prices, but at best this is a slow process. We need in addition to this a sufficient immediate expansion of currency to bring on an upward trend of grain prices. I am aware that cattle and hog prices are at the present time greatly improved and still going higher, but it must not be forgotten that due to low crop production, and in some localities no production whatever last year, many farms were practically depleted of livestock. Thousands of farmers in the Northwest are dependent upon their grain crop produced from Government seed, and these must have a decent price for their grain or they can not possibly meet their obligations. In my judgment the Borah amendment would

help these farmers to realize something for their season's work.

A few days ago it looked as though there was a prospect of getting the domestic allotment plan bill through, but unfortunately after it had passed the Senate and been messaged over to the House it was reconsidered and recalled by that body, thereby making it impossible for the House to get action upon it.

A very considerable number of us have tried to get action on a House bill containing a similar plan, but we have been consistently blocked by the majority in control of the House. This plan if enacted into law would give us the world price plus 42 cents a bushel on wheat, 5 cents a pound on cotton, and 2 cents a pound on hogs for that portion of these products consumed in this country, with a reduction of 2½ per cent for overhead. This would mean hundreds of millions of dollars of added income to the farmers of the country and would be a material factor in bringing the country out of the depression. So far as I am concerned, I do not propose to vote for adjournment until there has been favorable action upon these or similar measures.

ECONOMY IN GOVERNMENT

Mr. BULWINKLE. Mr. Speaker, the first session of the Seventy-second Congress adjourns to-day. During this session many questions have come for consideration before the membership of the House and the Senate; but I venture to say that there is no question in which the people of the country were more vitally interested than the question of economy in government. It is true that the Appropriations Committee, under the leadership of the chairman, Hon. JOSEPH W. BYRNS, of Tennessee, has succeeded in reducing the appropriations considerably under the amount asked for by the Bureau of the Budget and requested by the President.

It is true also that the Economy Committee made a substantial reduction in governmental expenditures, and it is likewise true that the Budget for the year 1933 was considerably less than that of 1932. In all, the ordinary operating expenses of the Government have been reduced, as I say, by a substantial amount.

But the people of the country are demanding and have a right to demand that the expenditures of the Government at all times, and especially during this panic that is upon us, be reduced still more. For years it has been the habit and the custom of the average American politician to frequently speak upon the question of maintaining expenditures of the Government caused by the creation of commissions, bureaus, and boards. And it is only now at the present time that the people seem to realize that we are a much governed country. The expenses also of the city, county, and State governments have increased rapidly during the last few years, and the burden of taxes, both national, State, and local, are falling very heavily upon the people of this country.

For years I have called to the attention of the voters of my district that we were becoming a bureaucratic government; that the establishment of these bureaus and other offices in the executive branch of the Government tended, as in all bureaucratic government, to take from the people some of their liberties; and that also the establishment of these boards, commissions, and bureaus were costly, and that the people had to pay for them in the end. But I was not the only one that called this to the attention of the people. The President of the United States, in his message of February 17, 1932, asked that Congress give consideration to the needs of reorganization and the curtailment of expenses of the executive branch of the Government.

> The need for reorganization is obvious. There has been with the years a gradual growth of the Government by the accretion in its departments and by independent executive establishments, boards, and commissions as problems requiring solution confront the President and the Congress. To-day the Government embraces from 150 to 200 separate units, dependent on the method of notation used. Governmental units when once set up have a tendency to grow independently of other units. This leads to overlapping and waste. Moreover, there is a marked tendency to find new occupations when the initial duties are completed. The overlap and the number of agencies can be reduced.

And the Democratic Party, in its Chicago platform of this year, said:

> We advocate an immediate and drastic reduction of governmental expenditures by abolishing useless commissions and offices, consolidating departments and bureaus, and eliminating extravagance, to accomplish a saving of not less than 25 per cent in the cost of Federal Government, and we call upon the Democratic Party in the States to make a zealous effort to achieve a proportionate result.

During this entire session of Congress I had hoped that the appropriate committees in Congress would give careful thought and consideration to this question of abolishment of useless and unnecessary commissions and reorganization and consolidation of these various bureaus of the Government. It is true that a number of bills have been introduced by individual Members, which bills sought the abolishment of one or more of these useless branches of the Government; but along this line very little has been accomplished at this session of Congress, and on Friday, July 8, 1932, I introduced House Resolution 282, which provided—

> That the Speaker is authorized and directed to appoint a select committee to be composed of seven Members of the House, one of whom he shall designate as chairman. The committee is authorized and directed to investigate the organization of the executive departments and the independent offices and establishments in the executive branch of the Government with a view to determining upon such consolidations, abolishments, and reorganizations of such departments, independent offices, and establishments, and such commissions, boards, bureaus, divisions, services, offices, or administrative units within any such department or independent office or establishment, as it deems advisable in order to (1) eliminate such duties and functions as it determines to be overlapping, duplicated, useless, or unnecessary and (2) achieve economy and efficiency in the administration of the remaining duties and functions of the executive branch of the Government. The committee shall, on or before January 15, 1933, report to the House the results of its investigation, together with such recommendations for legislation as it deems advisable.

This resolution was referred to the Rules Committee and at a meeting of the Rules Committee it was ordered reported out for consideration by the House. But for some reason or other, the rule reporting the resolution is being held. And so there will be no action at this session of Congress on this very important subject, which must sooner or later confront the Congress.

I call the attention of every Member to this, that the probability is that the present tax bill will not raise the estimated amount of taxes, that the Budget will be again unbalanced, and that the people of the United States will vigorously oppose any additional taxes being placed upon them when the expenditures of the Federal Government have not been reduced to any great extent. Owing to all of this talk that has been going on for years about the useless boards, bureaus, and other branches of the Government, and owing to the fact that the President has called to the attention of the membership of the House, and also owing to the book written by a Member of Congress, Hon. JAMES M. BECK, called "Our Wonderland of Bureaucracy," the people of our country are going to demand and have the right to demand that Congress reduce the expenditures of this Government, and when the party platform of both parties pledged to the people of the United States that the expenditures of the Federal Government will be reduced I could see no reason why immediately the House of Representatives should not engage in a searching investigation and inquiry into this question.

I have understood that some of the Members of the House have said that this has been done before and nothing has been accomplished. The attitude taken by these Members reminds me very much of the English waiter in Southampton during the war, when I asked him to have my egg fried on both sides, he replied, "It can not be done, for it has never been done."

The responsibility lies upon each and every Member of this House to do his duty toward the reduction of governmental expenditures, and by the reduction of governmental expenditures I do not mean the slashing or cutting of wages from time to time, but I do mean the elimination of unnecessary waste, and I do mean the abolition of those functions which the Federal Government is now engaged in which are abso-

lutely unnecessary for its existence or for the benefit of the people.

The expenditures of public money in the construction of Government buildings here in the District should be investigated. While I do not say there has been criminal waste in the construction of these Federal buildings, yet I do say there has been an unnecessary expenditure of the people's money. It is a matter of common talk that the Department of Commerce Building cost something over $17,000,000 to build; that the bronze doors on it cost over $15,000 each; and that carpets costing thousands of dollars were put upon the floor; and that waste-paper baskets costing $47 each were placed in each office.

Whether this is true I do not know, but I do say that the House of Representatives should have the full knowledge and the full facts concerning the expenditures of the people's money. The House initiates these appropriations and the Members of the House are entitled to know whether or not there has been a waste of money, and I think also that the appropriate committee in the House should during the following months go carefully into the expenditures that are being made here in the District of Columbia, as well as elsewhere in the Nation.

In conclusion, may I not say that it is my fixed opinion that this House of Representatives owes a duty to the people of the United States which it can not in any way shirk, to carefully investigate the question of whether or not there are too many bureaus, boards, or commissions, whether or not any of these Federal activities are overlapping, and which of these offices should be abolished.

And I venture the prediction that each and every Member of this House, after adjournment, upon his return home, will be asked the direct question by many of his constituents, "What have you done and what is Congress doing to eliminate and reduce the expenses of the Federal Government?"

GEN. CASIMIR PULASKI—A POLISH PATRIOT IN THE CAUSE OF AMERICAN INDEPENDENCE

Mr. WOLVERTON. Mr. Speaker, I desire to express on behalf of the Polish-American residents of the district which I have the honor to represent their appreciation of the honor that has been paid to the memory of Gen. Casimir Pulaski by the passage of a resolution requesting the President of the United States to proclaim October 11, 1932, General Pulaski's Memorial Day, for the observance and commemoration of his death.

The tribute which we as a nation thereby pay to the memory of this outstanding soldier and patriot is a proper recognition of the valuable service he rendered to us during the war for our independence.

It is peculiarly appropriate, in view of the valuable and patriotic service he rendered, that the President of the United States should be authorized and requested as part of the George Washington bicentennial celebration to issue a proclamation calling upon officials of our Government to display the flag of the United States on all Government buildings on October 11, 1932, and inviting the people of the United States to observe the day in schools and churches or other suitable places, with appropriate ceremonies of the death of Gen. Casimir Pulaski.

The war for American independence brought to our shores from many nations those who believed in the cause of liberty. They were willing to sacrifice their lives and fortunes that the principles of freedom might prevail. Among those attracted to our cause was Count Casimir Pulaski, who was born in Winiary, Poland, on March 4, 1748. He was the eldest son of Count Joseph Pulaski, a distinguished jurist and member of the Polish nobility.

At an early age the spirit of Count Pulaski was stirred by the wrong committed against his native land. In 1768 he joined his father, Joseph Pulaski, in what was termed the "Confederation of Bar." This confederation was an organization of Polish noblemen gathered at the village of Bar in Podolia, each of whom pledged his time, his fortune, and his life to the redemption of Poland. Casimir Pulaski and his brother Francis became the active leaders in the movement. The older leaders were soon dispersed. Some had gone abroad; others were confined in dungeons. The latter was the fate of Pulaski's father. But Casimir, with those left, carried on. At the head of a small force of cavalry, he performed heroic feats. With his brother he became a constant terror to the Russians, who were trying to capture him. Suffice it to say for four years, under the most trying conditions and the greatest adversity, this patriotic organization under this great leader fought against overwhelming odds to oust the enemies of Poland from their country. But all their efforts proved fruitless. The aged Pulaski died in prison; one of General Pulaski's brothers was killed before his eyes by the enemy; the youngest brother was taken into captivity; and many of his countrymen were doomed to misery.

General Casimir Pulaski was the leading spirit of his countrymen in this unequal struggle to preserve his nation intact. He fought bravely, tenaciously, and with the zeal of a young man then but 25 years old. Heedless of his own safety, always leading his men into sallies against the enemy, which was much more powerful than his poorly equipped army and much larger in size, he made repeated stands against the enemy. His fame as a cavalry leader spread throughout Europe.

"Never was there a warrior," says the historian Ruhlieri, "who possessed greater dexterity in every kind of service. Endowed by a peculiar gift of nature, strengthened by exercise, he was always the first to charge in person with an intrepidity which inspired his followers to imitate his example." Benjamin Franklin, to whom he offered his services in the cause of American independence, in introducing him to General Washington, wrote:

> Count Pulaski, who was a general of the confederates in Poland, and who is to join you, is esteemed one of the greatest officers in Europe.

Casimir Pulaski not only lost his father and brothers in this glorious attempt to save Poland from the first of her ignoble partitions, but his estates were confiscated and he was proscribed by King Stanislaus and had to flee to Turkey. Soon thereafter Russia, Prussia, and Austria agreed to help themselves to large portions of Poland's territory, and had the effrontery to convene the Polish Diet and under duress compel it to sanction the beginning of what Henry Wharton called "The most flagrant violation of national justice and international law which has occurred since Europe emerged from barbarism."

Soon thereafter, in 1772, Count Casimir Pulaski issued his memorable manifesto, in which he said in part:

> I am not astonished that the enemies of my country, resolved on her ruin, should direct their shafts against those who most firmly resist their impetuosity, and that they should regard as such the brave Poles, whom they have sacrificed and who are still repelling their most cruel attacks. * * * My destiny was clear when, at the age of 21, far from yielding to the amusements of youth, I regarded every moment as lost which was not employed in repelling the enemies of my country. * * * I have endeavored to mark my course by an invincible fortitude. Neither the blood of one of my brothers, which was shed by the enemy before my eyes, nor the cruel servitude of another, nor the sad fate of so many of my relations and compatriots has shaken my patriotism. * * * I believe I have proved by four years' service that I have not been influenced by interest or a false point of honor. * * * I declare before God, before the Republic of Poland, and before all the powers of Europe that my heart is an utter stranger to crime. It has never entered my imagination to attempt the life of any person to whom has been assigned, in any manner whatsoever, the government of the nation, or to avenge the wrongs of my country in any other way than that of open war.

Perhaps no better insight into the sturdy character of the illustrious Pulaski, known and revered in both Europe and America, could be given than the above excerpt from his manifesto. We are not surprised to hear a man of his lofty type later on, in August of 1779, state to the Continental Congress:

> I could not submit to stoop before the sovereigns of Europe, so I came to hazard all for the freedom of America, and am desirous of passing the rest of my life in a country truly free and of settling as a citizen to fight for liberty.

From Turkey Pulaski wended his way to Paris.

Across the Atlantic—

Says Henry Williams, Esq., on the laying of the corner stone of the monument to his memory at Savannah on October 11, 1853—

came to him the tidings that the people of another hemisphere had bid defiance to oppression and were arming for the struggle. The sound stirred the heart of Pulaski like the voice of a battle trumpet. It was a struggle for liberty. It was his cause, whoever the people and wherever the scene of conflict. Fate forbade him to achieve the independence of his own country, and true to the noble impulses of his soul, he came to aid in establishing that of America.

He saw—

Says Jared Sparks, in his American Biography—

a new field opened for vindicating with his sword the same principles, the same rights of mankind, the same unchangeable laws of justice, as those for which he had wielded it with so much courage and singleness of purpose in his own country.

Benjamin Franklin, writing from Paris to General Washington on May 29, 1777, says:

Count Pulaski, of Poland, an officer famous throughout Europe for his bravery and conduct in defense of the liberties of his country against the three great invading powers of Russia, Austria, and Prussia, will have the honor of delivering this into your excellency's hands.

Anthony F. Zaleski, writing of the life of this great hero, said:

We can readily see and understand why men like General Pulaski and his famous countrymen, General Kosciuszko, who also covered himself with undying glory in the Revolutionary War, were not soldiers of fortune nor waifs thrown to the surface of troubled waters by the love of adventure and quest of money or emolument, no matter what the cause might be that they were fighting for. These men fought long and hard to establish the principles of liberty and justice on their own soil; they were imbued with this spirit in their own cause, for their own country, and it was only natural that when they had given their best for these sacred ideals without success against tyrants and intriguing despoilers of humanity, they should hear the shot fired at Lexington that was "heard round the world" with an eager ear, and should be willing to come to a foreign strand, although they neither understood the language nor were familiar with the customs of this strange people on another continent. The principles of human liberty and justice are essentially the same in every clime, and they were eager to resist a mighty empire that was trying to wrest them from a struggling people, a people whose slogan was "Give me liberty or give me death."

Like his famous compatriot, General Kosciuszko, who, when he appeared before Washington and was asked by him what he could do, answered in a quiet way, "Try me and see," Pulaski did not wait for any appointment from Congress, but on hearing that the enemy was attacking Washington's forces hastened to join them as a volunteer.

General Pulaski landed in America about the middle of July, 1777, and after presenting his letters to Washington and Congress, waited for Congress to take action. In the meantime, Washington's army passed through the streets of Philadelphia, on its way to Wilmington, Del. Spurred by the sight of marching soldiers, Pulaski, restless and eager to aid our cause as he was, decided not to wait for his commission but to follow the army as a volunteer. Captain Bentalou, an able officer who fought under Pulaski until he died and was wounded along with Pulaski at Savannah, Ga., writes:

The inherent ardor of his warlike spirit, his habits of activity, and the desire of efficiently serving the cause which he had so warmly embraced did not permit him to wait for the decision of Congress on his application, but he immediately joined the army.

It thus happened that General Pulaski and his friend, the Marquis de Lafayette, another distinguished officer, struck their first blows for American independence at the Battle of Brandywine on September 11, 1777. Washington was bent at this time on opposing the advance of General Howe's army northward toward Philadelphia. At Brandywine Washington's army was repulsed, and a large part of it might have been captured had it not been for the masterly aid given by Pulaski at the head of a cavalry squad, who delayed the progress of the British and thus enabled the army of Washington to retreat in an orderly way and to save their baggage.

In describing Pulaski's activities at this battle Jared Sparks states:

At Brandywine, Pulaski, as well as Lafayette, was destined to strike his first blow in defense of American liberty, fully sustaining by his conduct and courage the reputation for which the world had given him credit. Four days after this event he was appointed by Congress to the command of the Cavalry, with the rank of brigadier general.

The historian Ramsay says:

At Brandywine, Pulaski was a thunderbolt of war and always sought the post of danger as the post of honor.

On September 15, 1777, Congress elected Pulaski "commander of the horse with the rank of brigadier." He thus became our first Chief of Cavalry.

For several months after his appointment General Pulaski spent much of his time with the Continental Army in the vicinity of Philadelphia. He participated with his cavalry in the Battle of Germantown, October 4, 1777, and later encamped with Washington at Valley Forge. Late in December he was ordered to take his cavalry to Trenton, and remained there practically all winter.

It is particularly interesting to note that Pulaski during the latter part of February, 1778, participated in an engagement with the British in the city of Camden. The British, who were encamped in Philadelphia, were scouring that part of New Jersey on the opposite side of the Delaware. Gen. Anthony Wayne was ordered to restrain the enemy. He in turn forwarded a message to Pulaski demanding that the latter immediately join him in the expedition. Pulaski, although displeased with its tone, complied with the order. Upon meeting Wayne, however, he frankly stated that, they both being of the same rank, he did not expect a command from him. To this Wayne good-naturedly replied that being in haste he may have overlooked proprieties, but did not mean to be overbearing. Thereafter they became fast friends, and fought side by side in routing the British forces in New Jersey. Together they defeated the British division at Haddonfield, and together they took part in the skirmishes at what was then known as Coopers Ferry and which is now the city of Camden, this skirmish taking place in the vicinity of what is now Seventh and Market Streets in said city.

Pulaski at the head of his troop of cavalry was everywhere alert, charging the enemy with spirit and effect. His own horse was shot under him, and he personally took seven prisoners. General Wayne, in making his report of the battle, praised Pulaski very highly, saying that he "behaved with his usual bravery."

In March of 1778 Pulaski asked and received permission from General Washington and Congress to organize an independent corps, known later as the famous Pulaski Legion. It is estimated that Pulaski advanced $50,000 of his own money in forming and equipping his legion.

About the 1st of September, 1778, Pulaski notified Congress and Washington that his legion was fully organized and ready for service. It was ordered to proceed to Trenton. Thence its operations extended to Egg Harbor, N. J., where it was sent to protect an American privateer base. There, on October 15, 1778, the infantry of the legion met the British, and Lieut. Col. Baron de Bose, a Pole, was killed in this engagement. With his cavalry, Pulaski rescued the infantry and drove back the invaders.

The Pulaski Legion spent the winter around Minisink, N. J., in the protection of our frontiers. On February 2, 1779, Congress resolved that Count Pulaski march with his legion to South Carolina to join General Lincoln, then in charge of the southern campaign. Congress also made provision for enlarging the corps. The British were already in possession of Georgia, and were rapidly acquiring a foothold in South Carolina. The commanding officer of the Continental troops in the South called for assistance. It was this condition that impelled Congress to direct Pulaski to proceed South. He and his legion were anxious for action and cheerfully set out for South Carolina.

Pulaski and part of his force reached Charleston May 8, 1779. Three days later the remainder arrived. The legion entered the city at a crucial moment when the governor and council of Charleston were ready to capitulate and surrender the city to the British. Pulaski, by his plea and advice, persuaded them to reject any offer of submission. His pledge to defend the city and the enthusiasm of the great

leader brought many valiant youths of the South to join his ranks, anxious to fight under his standard.

On the 11th of May the city was attacked by British troops. With the cooperation of General Moultrie and Colonel Laurens, the American forces under Pulaski held the city until May 13, when help arrived. Upon the approach of relief under General Lincoln the British abandoned the siege and retreated toward Savannah. Sparks, in referring to this incident and the part taken by Pulaski, says:

His coolness, courage, and disregard of personal danger were conspicuous throughout the encounter, and the example of this prompt and bold attack had great influence in raising the spirits of the people and inspiring the confidence of the inexperienced troops then assembled in the city.

On September 3, 1779, the American forces proceeded toward Savannah, and Count Pulaski and General McIntosh were sent ahead of the main army to attack and harass the British.

The American forces and their French allies came together at Savannah about the 16th of September. A siege was begun. Finally the French commander requested that the city be attacked by storm, and General Lincoln, with some hesitation, consented. On October 9 the engagement started. The cavalry of the French and Americans was under the command of Pulaski, and he was to charge the embattlements. The French commander, instead of taking a circuitous road to get to his point of attack, endeavored to cross directly over a swamp. He was caught between a deadly cross fire, and havoc was wrought among his men.

Pulaski, seeing the apparent confusion and realizing that all was not well, drove up at the head of his cavalry to where the French were to reinforce and encourage them. Dashing madly ahead into a withering flame of shot and shell, he himself was struck in the groin by a shot and fell from his horse mortally wounded, to be picked up later and carried away.

Major Rogowski, one of Pulaski's officers and also a Pole, who was in the heroic charge, states in his description of the battle:

For half an hour the guns roared and blood flowed abundantly. * * * Imploring the help of the Almighty, Pulaski shouted to his men, "Forward," and we, 200 strong, rode at full speed after him, the earth resounding under the hoofs of our chargers. For the first two moments all went well. We sped like knights into the peril. Just, however, as we passed the gap between the two batteries a cross fire like a pouring shower confused our ranks. I looked around. Oh, sad moment ever to be remembered, Pulaski lies prostrate on the ground.

Pulaski was carried away by his soldiers and placed on the American brig *Wasp* and put under the care of skilled surgeons, who vainly endeavored to remove the bullet and save him. Gangrene had set in, and as the ship pulled out of the harbor for Charleston Pulaski expired, and he was deposited in a watery grave on the 11th day of October, 1779, at the age of 31 years.

When the *Wasp* pulled into the harbor of Charleston with her flag flying at half mast and it became known that the gallant Pulaski was dead, the city took on an aspect of general mourning. The governor, the council of the State, and the citizens united to pay tribute to their youthful defender, who shortly before by his bravery and advice had saved them from an ignominious surrender. Resolutions were passed, public ceremonies were held, and a day was designated for the holding of his funeral obsequies. Three French and three American officers carried his bier, followed by the horse that Pulaski rode with all the trappings, armor, and dress that he wore. The procession was large and imposing, and a chaplain of the Army delivered a fervid eulogy over the departed officer. Congress, on being apprised of Pulaski's death, resolved "that a monument be erected to the memory of Brigadier Count Pulaski."

Thus ended the brilliant career of the illustrious and gallant officer, a heroic figure on two continents, who had written to Col. R. H. Lee on August 13, 1778:

Honor and a true desire of distinguishing myself in defense of liberty was the only motive which fired my breast for the cause of the United States.

And who had written to Congress on September 17, 1778:

I am a Republican whom the love of glory and the honor of supporting the liberty of the Union drew hither.

A monument to the memory of Pulaski has been erected by the citizens of Savannah in Monterey Square, and in response to the resolution of the Continental Congress, providing that a monument be erected to his memory, the United States Government has erected a bronze equestrian statue in Washington at a cost of $50,000. This monument, together with one erected by the Polish National Alliance of America in memory of Thaddeus Kosciuszko, stand in the Capital City of Washington, a constant reminder of the heroism, valor, and patriotism of these two great soldiers in the cause of American freedom.

The Hon. A. L. Brick, who appeared before the committee in Congress urging the erection of the monument in Washington, said:

Pulaski died as he had lived, a noble and undaunted warrior, fighting the battles of liberty and of the Republic. * * * He sacrificed himself, all the years of his young life, his fortune, his ancestral dignity, his lofty spirit, his splendid genius, and all his earthly hopes, for liberty, justice and humanity. For these things he gave all he had—his martyred life.

In the American Military Biography, containing the lives and characters of the officers of the Revolution who distinguished themselves in achieving our national independence, the author says:

Perhaps a braver man than Pulaski never drew a sword.

And in describing his death at Savannah—

Thus fell, in a most bold and daring achievement, the distinguished Polish patriot and hero, in the cause of American liberty; his memory is entitled to our veneration, as his life forms an item in the price of our independence.

In conclusion, giving due acknowledgment to an article by Anthony F. Zaleski, entitled "The Hero of Two Continents," from which much data has been taken in the preparation of this address, it is only proper and just that America and a grateful people enjoying the blessing of liberty, peace, and prosperity, should on October 11 of this year recall the life of this great man and pay tribute to his valor and chivalry on the anniversary of his death. He left the old world and came to this continent to help establish, as the immortal Lincoln said, "A new nation, dedicated to the proposition that all men are created equal." He gave his last full measure of devotion to that cause, and 4,000,000 of his countrymen, residing in the United States, rejoice with the American Nation, of which they are a part, that Pulaski and that other illustrious Polish patriot, Thaddeus Kosciuszko, and other distinguished men of Polish blood stood by the cradle of American independence and helped to lay the foundation for a new government in the New World, dedicated to the principles of human liberty and justice.

GLASS-BORAH CURRENCY VERSUS OWEN BONUS CURRENCY

Mr. VINSON of Kentucky. Mr. Speaker, I am printing here in parallel columns the Owen currency plan contained in the bonus bill as it passed the House and the Glass-Borah currency plan as contained in the home loan bank bill. It is inexplicable that President Hoover would denounce the Owen currency plan and indorse the Glass-Borah currency plan. It is indefensible for one to maintain that the money under one is bad and the other good. If the currency under the Borah-Glass plan is sound, the money under the Owen plan is sounder. The bonus currency has every advantage alleged to be possessed by the Glass-Borah currency and does not have any of its disadvantages.

At the time of the consideration of the bonus bill, many of us stoutly maintained that expansion of currency was the need of the hour. We protested that the administration had the power under the Glass-Steagall bill and other statutes to expand the currency. The representatives of the administration maintained that the expansion of credit which they were pursuing was the relief needed and that there should be no expansion of the currency. Within a

few weeks we see the administration changing their position and coming part way to our viewpoint. We see the enactment into law of the Glass bill presented by Senator Borah as an amendment to the home loan bank bill. At first, the administration forces in the House, claiming that it would wreck the country, refused to suport it. Upon two votes it was defeated. But gradually gaining strength, we finally see the distinguished minority leader [Mr. SNELL] arise from his seat and actively support the measure. On the third roll call it passed the House. Evidently the forces who opposed the Owen plan have had a change of heart in connection with the currency expansion.

I would call to your attention the similarity between these two measures. I reiterate that the Owen plan has every advantage claimed by the Glass-Borah plan. I repeat that the Owen plan has none of the disadvantages of the Glass-Borah plan.

THE OWEN CURRENCY PLAN

Payment of the face value of the adjusted-service certificates under section 509 or 510 of the World War adjusted compensation act, as amended, shall be paid in Treasury notes.

The Secretary of the Treasury is hereby authorized and directed to issue United States notes to the extent required to make the payments herein authorized. Such notes shall be legal tender for public and private debts and printed in the same size, of the same denominations, and of the same form as Treasury notes, omitting the reference to any Federal reserve bank.

He shall place such notes in the Federal reserve banks, subject to the order of the Administrator of Veterans' Affairs, to be used for the purposes of this act.

He shall issue a like amount of United States bonds bearing 3½ per cent interest, payable semiannually, with coupons attached, and such bonds shall be due and payable in 20 years from the date of issue, subject to the right of redemption after 10 years.

These bonds shall be deposited in the Federal reserve banks, as the agents of the United States, in approximate proportion to their current assets at the date of the passage of this act, and the Federal Reserve Board, by resolution in writing, may direct the sale to the public of such portions of said bonds as it may from time to time desire.

Such currency received for such bonds shall be exchanged for the notes hereby authorized to be issued, and they shall be returned to the Secretary of the Treasury for cancellation.

THE GLASS-BORAH CURRENCY PLAN

That notwithstanding any provisions of law prohibiting bonds of the United States from bearing the circulation privilege, for a period of three years from the date of enactment of this act all outstanding bonds of the United States heretofore issued or issued during such period, bearing interest at a rate not exceeding 3⅜ per cent per annum, shall be receivable by the Treasurer of the United States as security for the issuance of circulating notes to national banking associations, and upon the deposit with the Treasurer of the United States by a national banking association of any such bonds, such association shall be entitled to receive circulating notes in the same manner and to the same extent and subject to the same conditions and limitations now provided by law in the case of 2 per cent gold bonds of the United States bearing the circulation privilege; except that the limitation contained in section 9 of the act of July 12, 1882, as amended, with respect to the amount of lawful money which may be deposited with the Treasurer of the United States by national banking associations for the purpose of withdrawing bonds held as security for their circulating notes, shall not apply to the bonds of the United States to which the circulation privilege is extended by this section and which are held as security for such notes. Nothing contained in this section shall be construed to modify, amend, or repeal any law relating to bonds of the United States which now bear the circulation privilege.

As used in this section, the word "bonds" shall not include notes, certificates, or bills issued by the United States.

There are hereby authorized to be appropriated such sums as may be necessary to carry out the provisions of this section.

SIMILARITY

(1) In each instance it is paper currency.

(2) In each instance no additional gold backs the issues.

(3) In each instance the sole reserve is Government bonds.

(4) In each instance the Government bonds are deposited to be used by them to prevent undue expansion; each presents the controlled-expansion feature.

(5) In each instance the money in worth 100 cents on the dollar by virtue of the parity act of 1900.

(6) In each instance the money issues for a Government obligation not yet due. The bonus currency takes up adjusted-service certificates whose face value is not to be paid until 1945. The Glass-Borah currency takes up Government bonds whose maturity dates are 1943 and 1947.

(7) In each instance a noncirculating obligation of the Government is replaced with a circulating one.

DIFFERENCES

(1) The bonus currency involves no charge upon the Treasury. There is no interest burden unless and until the bonds deposited for control purpose should be sold by the Federal reserve bank to halt any undue increase in commodity values.

The bonds under the Glass-Borah plan bear interest at the rate of 3⅜ per cent per annum, payable to the banks so owning and depositing them. This in an increase of 1⅜ per cent per annum in interest charge above the interest charge upon Government bonds now having the circulation privilege. Should the $994,000,000 in currency be issued, there would be an annual interest charge of $33,555,000. The increased interest charge of 1⅜ per cent per annum amounts to $13,675,000. While this is of financial benefit to the banks holding these bonds, yet in my judgment the good flowing therefrom to the country as a whole thoroughly justifies the additional benefits conferred.

I would point out, however, that the same amount of currency under the Owen plan of the bonus bill, without any interest charge at all, could have been issued.

(2) The currency under the Glass-Borah plan is approximately $1,000,000,000, which is placed in the banks to be used by them at their pleasure.

The currency under the Owen plan of the bonus bill was approximately $2,200,000,000 and went directly into the hands of men who would immediately put it into circulation. The distribution is certainly more widespread and not dependent upon banks loaning it.

(3) Under the Glass-Borah plan assets of the banks are given up in obtaining the currency. The debit and credit columns remain the same, but it was necessary for the bank to give up an asset to obtain the currency.

(4) Under the Owen plan of the bonus bill the currency comes to the bank as an added resource. If the bank has 3⅜ per cent bonds among their resources, they would still retain them. The new currency would be added to the currency and resources that they already had. Under the Glass-Borah plan the bank gets the currency for the bonds. When the currency is loaned out it has only the obligation which evidences the loans. It does not have the bonds. Under the Owen plan the bank would still retain its bonds and would also have the obligation created by loaning the currency.

We feel that this feature of it would certainly give added strength to the banking situation. Certainly more confidence should be felt in a banking institution if its resources are not depleted, but, contra, are materially added to.

In view of the foregoing it is hard for me to understand how 53 Members of another body voted for the Glass-Borah amendment and only 16 Members supported the bonus bill. Rather, it would be hard for me to understand, comparing the measures now, were it not for the fact that I was on the job at the time of the consideration of the bonus bill in the Senate. A very unusual thing happened. The Senate did not have any hearings upon this bill. Many of them did not know that the Owen plan had been substituted for section 2 of the Patman bill on the floor of the House, just a few minutes before its passage. Many of them did not know the mechanics of the Owen plan. They were in a hurry to vote the bonus bill down with the idea that the bill that passed the House was the original Patman bill.

In view of the situation, I can understand how they labored under this misapprehension, as the bill originally considered before the Ways and Means Committee was the Patman bill. It was subjected to the criticism of the administration, the press, and many Members of Congress. No one criticized the Owen plan. Some claimed they had not studied it. Those who did, gave it a clean bill of health as sound money.

When the bill came before the committee in executive session for final consideration, motion was made to strike section 2 of the Patman bill and substitute the Owen plan. This was voted down 14 to 11. However, notice was served that this amendment would be offered if the bill was brought up for consideration in the House. Then the vote was taken to report the Patman bill favorably. It was lost 11 to 14. Then the motion was made by the opponents of the bill to report it adversely. It was thought that such a report would kill the bill for this session. There were 14 members of the committee who voted to report it adversely, and the friends of the measure, 11 in number, voted against reporting it adversely. Ten of the eleven who voted for the bonus and against the adverse report filed a minority report, which was filed through me. In it we gave notice that we did not favor the money mechanics in the Patman bill but would offer the Owen plan as a substitute.

You will keep in mind that the Owen plan as yet was not a part of the bill; and when the Rules Committee was discharged from the consideration of the Patman bill, it was the Patman bill without the Owen amendment. And not until the bill was read under the 5-minute rule and section 2 thereof reached could the Owen plan be written into it. At that point motion to strike out section 2 of the Patman bill was made and the Owen plan was substituted in lieu thereof, and it remained in the bill with 209 Members of the House voting for it. The second day, after the passage of the bill in the House, it was taken up in the Senate without hearings and hastily defeated.

I do not think that the benefits that will accrue from the Glass-Borah amendment will approximate the results which would have accrued if the bonus bill with the Owen plan had been enacted into law. Under the bonus bill the distribution was perfect. It was country wide. Immediately the money went to work, as the opponents maintain, commodity values would have increased. With property values approaching zero, God knows we need just that. (Just a few days ago, I was informed by the largest wheat grower in the world that his wheat was selling for 14 cents a bushel—an all-time low-price record.) Then, when the new currency found its way to the bank, it would be added money in the vaults and, in my judgment, would have inspired the confidence to bring hundreds of millions of dollars of hoarded money back into circulation.

On the other hand, the currency in the Glass-Borah plan will only issue to those banks which either have or procure the 3⅜ per cent bonds. Very probably the currency will be distributed in spots. Then, it is a question of the banks' desire to loan this money which they receive in the place of Government bonds. It is not an added resource to them. It is merely a change in assets. I think, that it will be of some benefit, but I do not look for the effect that would have taken place if the $2,200,000,000 new currency in payment of the bonus certificates had been issued. Of course, the currency under the Owen plan would not have called for any burden to the Treasury, whereas the currency under the Glass-Borah plan entails extra burden to the Treasury in excess of the interest charge on circulation bonds at the present time. This is an annual charge, but I think that the benefits accruing under the bill more than justify the added cost.

During the consideration of the bonus bill, I maintained that the currency under the Owen plan was sound. I never had the slightest doubt of it. Were it necessary to have any proof of the correctness of my conclusion, the passage of the Glass-Borah plan certainly should be conclusive. Surely it must have been O. K'd by the money experts of the administration and the Nation before the President would have given his approval to it. It is sound money, but so was the money which would have issued under the Owen plan in the payment of the soldiers' bonus.

TAX REFUNDS IMPARTIALLY HANDLED

Mr. SNELL. Mr. Speaker, a Member from New York, building upon an inspiration of the Speaker of the House, has allowed himself to say:

The Republican campaign is financed out of the Treasury of the United States * * *. (CONGRESSIONAL RECORD of July 12, 1932, p. 15147; CONGRESSIONAL RECORD of July 15, 1932, p. 15516.)

In making this bold assertion the Member has even surpassed the Speaker, whose original remarks on this subject were made in the last Congress and published in the CONGRESSIONAL RECORD of December 16, 1930, beginning on page 858, and were answered by Congressman HAWLEY, then chairman of the Joint Committee on Internal Revenue Taxation, whose remarks appear in the CONGRESSIONAL RECORD of December 19, 1930, beginning at page 1130.

This fantastic assertion of some connection between refunds and contributions has no basis other than that certain names which have appeared on the list of Republican campaign contributors have also appeared on the refund and credit lists published by the Treasury and the Joint Committee on Internal Revenue Taxation. No connection whatever has been disclosed or could be disclosed between the fact of a refund of taxes overpaid and the fact of a contribution to Republican campaign funds. As large numbers of taxpayers and of officers of taxpayers were Republicans, it was inevitable that the Treasury in making final adjustment of taxpayers' liabilities should make refunds and credits as well as additional assessments in the case of taxpayers who are Republicans just as in the case of taxpayers who are Democrats. The Treasury has zealously and impartially performed the duties imposed upon it by Congress in the readjustment of taxes.

The impression left by the remarks of the Member from New York is that the process of readjustment of tax liabilities by the Treasury has been mainly a process of making refunds or credits. On the contrary, the process has been to take the returns required to be filed by taxpayers, setting forth their own original calculations of their tax liability, and make final determinations of their liabilities in the light of full development of the facts in each case, often very complicated, and of a mass of decisions of the Tax Board and the courts frequently effecting vital changes in the liabilities as originally calculated. As the amounts of tax required to be paid in the first instance are those shown by the returns, the adjustment may result in deficiency payments to the Government or refunds by the Government.

No one who has the slightest familiarity with the tax acts, particularly the war measures and the complications arising under them, has ever been surprised that many tax adjustments have been required under those acts. Most taxpayers made their returns in an entirely fair manner, and in many cases later developments showed that they had overpaid their taxes. I do not know whether it was intended to be implied that no taxes overpaid should be refunded except as a result of final judgment in litigation. As I conceive it, and as the Treasury has conceived it, it is the duty of the Treasury to make return of taxes overpaid, once that determination has been reached. This is the only basis upon which the law can be fairly administered and the good name of the Government protected.

It is well to remember the magnitude of the task which the Treasury has performed. During the period beginning with the fiscal year 1917 and including the first nine months of the fiscal year 1932 the Bureau of Internal Revenue has been called upon to administer collections of $47,696,120,-436.97 in taxes and to deal with 119,098,969 returns. During this period, in dealing with this mass of returns, the Treasury has assessed additional taxes to the amount of $5,981,-632,503; has made refunds totaling $1,384,352,575.09, and has credited or abated tax in the amount of $2,661,509,775.01. The total of additional tax assessed during this period has thus exceeded the total of the amounts refunded and the amounts credited or abated by $1,935,770,152.90.

The member from New York has asserted that the amount of the adjustment in favor of taxpayers would have been sufficient to pay the operating expenses of the Government for an entire year. What is shown by the full figures just stated is that the net effect of the work of the Treasury in the readjustment of tax has been to increase the revenue of the Government by nearly $2,000,000,000.

It is the application of the same methods and principles which in many cases have resulted in particular allowances in favor of taxpayers that in their total effect have operated very substantially to increase the revenues of the Government. It was the duty of the Treasury to make its redetermination with as honest regard for facts, rulings, and decisions in favor of taxpayers as for those rulings, decisions, and principles which operated in favor of the Government.

The proposition that up to 1928 of all the tax refunds allowed much the greater part involved claims on taxes paid to the Treasury during the years 1917 to 1921 is undoubtedly correct. Those taxes were paid under measures framed, sometimes with haste, to meet the exigencies of the war, under provisions novel in character and uncertain in application. After the war it was the express duty of the Treasury under the law to work out the liabilities of taxpayers under that novel and uncertain war legislation. This work of adjustment, faithfully performed, necessarily involved the making of refunds as well as the collection of larger amounts of additional taxes.

Any notion that this vast process of readjustment of tax liabilities, required by law to be conducted by the Treasury, was carried on with a view to favor any particular class of taxpayers is utterly without foundation. Of course, it is a fact that refunds and credits of taxpayers, substantial in amount, go only to taxpayers who paid substantial taxes in the first instance. Refunds or credits of amounts collected are not distributions of public funds—they are restorations of amounts found to have been illegally collected.

The determination of tax liabilities is carried on by the Treasury by a system which provides adequate checks and which requires the independent action of many different officials. A concise statement as to the system was made by the Secretary of the Treasury in his annual report of 1930, on page 380, as follows:

* * * Let me briefly state that the various steps that are taken before any money is paid to a taxpayer by way of tax refund:

First. There is a field examination and audit made by civil-service employees under the supervision and direction of a Treasury agent, who himself is in the classified civil service.

Second. The facts as reported by the agent in the field are submitted to and carefully reviewed by the audit review division of the Bureau of Internal Revenue in Washington with the assistance of the valuation division of the bureau, composed of technical experts, all of whom are in the classified civil service.

Third. If the refund involved is less than $10,000, they report their recommendation to the commissioner of internal revenue for approval or disapproval.

Fourth. If the amount is over $10,000, the proposed refund, together with all data, is forwarded to the office of the general counsel of the Bureau of Internal Revenue. There a complete review is made of each and every item with the assistance, if necessary, of the technical staff of the Bureau of Internal Revenue.

Fifth. All refunds in excess of $75,000 are submitted in advance of payment and passed upon by the Congressional Joint Committee on Internal Revenue Taxation, consisting of Senator SMOOT, of Utah; Senator WATSON, of Indiana; Senator REED, of Pennsylvania; Senator HARRISON, of Mississippi; Congressman HAWLEY, of Oregon; Congressman TREADWAY, of Massachusetts; Congressman BACHARACH, of New Jersey; Congressman GARNER, of Texas; and Congressman COLLIER, of Mississippi.

The suggestion that under any system such as this refunds for political or any other improper purpose are possible is simply preposterous.

By far the largest amount of refunds is due to court decisions or other causes over which the Treasury has no control. Furthermore, the largest refunds in recent years have almost without exception been attributable to the years of the war. At that time the Government was under the necessity of collecting more than $4,000,000,000 annually. The statute was new and complicated and understood by few. There was no time to determine controversies, and in the emergency taxpayers generally paid large amounts into the Public Treasury the legality of which was in dispute. There was always, however, the assurance that ultimately these payments would be analyzed, that correct interpretations would be applied, that justice would be done, and excessive payments refunded.

To say that refunds should be made only by virtue of the decision of a court is to delegate to the courts the entire administration of the income tax law. It is evident that what would apply to refunds would be equally applicable to additional assessments. In effect, all questions involving disagreement would have to be referred to the courts. This would result in such interminable delay as to break down the administration of our income-tax system and would place an intolerable burden upon our already overworked Federal courts. The suggestion can not be intended seriously.

The activity of the Joint Committee on Internal Revenue Taxation referred to in Mr. HAWLEY's remarks is an answer to one of the remarkable assertions of the Member from New York. He stated, "Jurisdiction of their refunds is wholly in the Treasury Department and nobody outside of the department is in possession of the facts." (CONGRESSIONAL RECORD of July 15, 1932, p. 15516.) The fact is that since 1927 the joint committee, composed of five Members of the House and five Members of the Senate, selected from both parties, clothed with full authority, equipped with a permanent staff, has made continuous study of refunds made by the Treasury.

Since 1927, in the case of every refund of $75,000 or more, finally determined upon by the Treasury it has been required that a statement of the facts and of the reasons be submitted to the joint committee of Congress at least 30 days before action is taken. Through this agency of its own Congress has been kept informed as to proposed action in the matter of all refunds and credits. It has had ample opportunity to have ordered any investigation which it saw fit, if in any case it had been suggested that the facilities of the joint committee were not adequate. The joint committee publishes annual reports as to refunds, setting them forth with any comments the committee may have. The committee of Congress has made no criticism whatever of the motives of the Treasury in making any refund or credit. The refunds to the particular corporations to which the gentleman from New York has seen fit to refer were all fully submitted to the joint committee. Can there be any idea that the Treasury would propose to the joint committee of Congress any refund or credit unless the many experienced officials passing on the claim were thoroughly convinced of the justice of the refund or credit? Can there be any doubt that the joint committee of Congress would, and did, examine such refunds as the gentleman from New York has referred to in the case of the Aluminum Co. or the Sinclair Oil Co., and would have protested any irregularity whatsoever?

The utter impossibility of securing refunds or credits from the Treasury as a matter of political favoritism was well stated by Congressman HAWLEY, then chairman of the Joint Committee on Internal Revenue Taxation, in his answer to the original remarks of Speaker GARNER on this subject. Mr. HAWLEY's answer appears in the CONGRESSIONAL RECORD of December 19, 1930, beginning at page 1130. In the course of his reply he said:

Now, suppose a conspiracy existed in the department such as has been indicated by the gentleman from Texas. The greater part of the personnel in the department and in the field which handles these tax refunds is under the civil service, and at least half of them are members of the Democratic Party. They are about equally divided, according to the information I have, because the civil service knows no party relations. There are but few of these persons who handle tax matters who are personally appointed. If a conspiracy existed, it would need to involve all the civil-service personnel employed in the collection of taxes; it would need to include men and women of all parties, and it would need to have continued for more than 10 years, with no person ever suggesting, except the gentleman from Texas—who has had nothing to do with the matter—that there was such a conspiracy. As I said before, instead of going through this great amount of work of reauditing returns, levying additional taxes, and planning to refund the money to certain classes of persons as a reward for campaign contributions, the easiest thing to have been done was not to have assessed them any additional tax whatever.

More than that, if you will go through the general returns and general amounts collected, it will be found that those who are Republicans by affiliation have been as hard hit in the additional assessments as others. What I am meaning to say is that there is no such thing existing, except in the mind of the gentleman from Texas—that is, that political favors are being distributed by the Treasury Department. Every taxpayer's return is audited upon its merits and upon all the facts that are ascertainable. He is taxed that additional amount which he ought to pay and is returned that amount which is not justly due. The Government ought to be honest with its taxpayers and this Government is trying to be so.

It is unquestionably the fact, as Mr. HAWLEY has pointed out, that a record of the taxpayers against whom additional assessments have been made, if it were available in the same manner as is the record of refunds and credits, would show that taxpayers whose names might be found on Republican campaign lists figured still more prominently among those called upon to pay large additional assessments than in the list of those taxpayers to whom refunds or credits have been found to be due.

The remarks of the Speaker and the remarks of the Senator from Washington, now referred to by the Member from New York, are an old story fully answered by Congressman HAWLEY, as I have stated. Their statement of amounts of refunds received by taxpayers who made Republican campaign contributions is arrived at by including as a refund to the contributor amounts of refunds or credits to corporations, of which the contributor was a director, or with which he is supposed to have had some connection. This form of statement is far from accurate, to say the least. As I have said, there is no connection whatever between political contributions and refunds. Solely because of the insistence on such a connection from the other side of the House I shall introduce a partial list of contributors to Democratic campaigns who have received refunds and have been officers and directors of corporations receiving refunds. This list will serve to bring home the utter fallacy of the Democratic contention on this point.

Before inserting this list I wish to call attention to the fact that the gentleman from New York has sought to make much of the fact that most of the amounts refunded were returned after a Republican Congress, with the approval of Secretary Mellon, changed the law so as to permit refunds of taxes voluntarily paid. What is referred to is the removal by the 1924 act of the provision—possibly applicable to income-tax cases—that refunds could be allowed only on such taxes as were paid under protest. The removal of that requirement, developed before the imposition of income taxes at high rates with complicated provisions, has not up to this time been criticized from any source. So far as I know, no Democrat has voted the restoration of that old requirement. The reason for such removal, deemed right by all and opposed by none, was thus stated in the report of the Ways and Means Committee as to the 1924 act:

> The provisions of section 1318 of the existing law have been amended to provide that after the enactment of the bill it shall not be a condition precedent to the maintenance of a suit to recover taxes, sums or penalties paid, that such amounts shall have been paid under protest or duress. The fact protest was made has little bearing on the question whether the tax was properly or erroneously assessed. The making of such a protest becomes a formality so far as well-advised taxpayers are concerned, and the requirement of it may operate to deny the just claim of a taxpayer who was not well informed. (68th Cong., Rept. No. 179, p. 71.)

The report of the Democratic minority in opposition to features of the act did not set forth any opposition to the majority on this point.

After repeating charges that refunds and credits have been made to contributors to Republican campaigns, the gentleman from New York sets forth a general list of refunds and overassessments in excess of $500,000 made by the Treasury in recent years. A list of all refunds in excess of $500 is annually filed by the Treasury with Congress when it convenes in December. Unless some implication is intended that the adjustments listed have some connection with the Republican contributions, it is difficult to understand the object of reprinting a list taken from previously published reports. Certainly they do not sustain the assertion that there has been a preponderance of refunds to Pennsylvania taxpayers. No attempt has actually been made to connect the list with any contribution, and, of course, no such connection could be shown. That list includes refunds or credits based on judgments, corrections of duplicated assessments, the customary abatements or the required abatements in favor of estates made as State inheritance or estate taxes are paid; it ignores the fact that in many cases the overassessments were offset, or more than offset, by additional assessments for other years; and has no disclosed or, indeed, conceivable connection with the general tenor on the gentleman's remarks.

The only refund discussed which was not taken from lists already submitted is a refund of $135,672 of taxes for 1918 to the Ohio Steel Foundry Co., of Lima, Ohio, whose president is stated by the gentleman from New York to be a Republican contributor. This refund represents the settlement, finally effected, of a case long pending in the Board of Tax Appeals, as well as in the Court of Claims, and was set forth in a public decision published on June 21. This settlement, regarded by the bureau as advantageous to the Government, was reported to the joint committee and no question was raised in regard to it.

To bring out the absurdity of linking refunds with campaign contributions, and for no other purpose, I have had prepared a partial list of contributors to Democratic campaign funds during the last three years who have also received tax refunds or have been directors of corporations which have received refunds. The presence of a name on this list carries with it no implication whatever of impropriety of either contribution or refund. Because of the mere possibility of such an unwarranted inference, I and my colleagues have been reluctant to submit any list of Democratic contributors and refund recipients. But in view of the persistence of Democratic Members in their unwarranted attempt to link tax refunds with contributions to the Republican campaign fund, I am submitting this list to demonstrate, as no other method of procedure can, the absurdity, the unfairness, and the willful attempt at misrepresentation involved in the attack made by Democratic Members of the House and obviously intended to be broadcast over the country during the course of this campaign.

If the list were compiled in the same manner as the lists used by Speaker GARNER, the Democratic vice presidential nominee, and his supporters, the Democratic Senator from Washington, and the Member from New York, the amount of refunds stated would be simply a total in each case of the individual refunds and the corporation refunds, without differentiation. This basis of compilation, used by the other side of the House, is unwarranted. The partial list which I have had prepared itemizes separately refunds which were personal to the contributors and the refunds which went to corporations of which they were directors.

Name and contribution	*Refunds*
Gordon Auchincloss, New York, N. Y., $2,000.	Director of Equitable Trust Co. of New York, New York, N. Y., which received refunds of $987,609.75; director of the Chase National Bank, New York, N. Y., which received refunds of $43,126.35. Total, $1,030,736.10.
William H. Baldwin, New York, N. Y., $500.	Received personal refunds of $78,785.08.
Bernard M. Baruch, New York, N. Y., $128,000.	Received personal refunds of $6,225.12; director of Baltimore & Ohio Railroad Co., Baltimore, Md., which received refunds of $3,744.37. Total, $9,969.49.
Howard Bruce, Baltimore, Md., $10,000.	Director of the Bartlett Hayward Co., Baltimore, Md., which received a refund of $463,422.16; director of Worthington Pump & Machinery Corporation, New York, N. Y., which received refunds of $79,130.88; director of American Light & Traction Co., New York, N. Y., which received refunds of $20,521.92; director of U. S. Hoffman Machinery Co., New York, N. Y., which received refunds of $4,225.78. Total, $567,300.74.

Name and contribution	*Refunds*
F. H. Buck, San Francisco, Calif. (Frank H. Buck), $1,500.	Director of Associated Oil Co., San Francisco, Calif., which received refunds of $16,605.55; director of West Coast Oil Co., San Francisco, Calif., which received refunds of $75,001.17; director of Booth Kelly Lumber Co., Eugene, Oreg., which received refunds of $12,739.78. Total, $104,346.50.
Charles W. Clark, New York, N. Y. (Charles Walker Clark), $50,000.	Director of United Verde Copper Co., New York, N. Y., which received refunds of $1,042,106.60.
Robert Sterling Clark, New York, N. Y., $35,000.	Received a personal refund of $11,668.70.
Julius W. Cone, Greensboro, N. C., $500.	Director of Revolution Cotton Mills, Greensboro, N. C., which received refunds of $200,628.32.
Edwin Corning, Albany, N. Y., $10,000; Parker Corning, Albany, N. Y., $55,000.	Directors of Ludlum Steel Co., Watervliet, N. Y., which received refunds of $266,742.58.
R. T. Crane, jr., Chicago, Ill. (R. Teller Crane), $10,000.	Director of Crane Co., Chicago, Ill., which received refunds of $21,771.95.
J. S. Cullinan, Houston, Tex., and New York, N. Y., $7,000.	Received personal refunds of $6,888.02; director of American Republics Corporation, New York, N. Y., which received a refund of $34,781.07. Total, $41,669.09.
John J. Curtin, Brooklyn, N. Y., $20,500.	Director of Mechanics Bank, Brooklyn, N. Y., which received refunds of $71,734.96.
Chester Dale, New York, N. Y., $1,000.	Director of American Water Works & Electric Co., New York, N. Y., which received refunds of $222,741.24.
John W. Davis, New York, N. Y., $10,000.	Director of Mutual Life Insurance Co. of New York, New York, N. Y., which received refunds of $1,817,769.74; director of Metropolitan Life Insurance Co., New York, N. Y., which received refunds of $2,021,908.20; director of Guaranty Trust Co. of New York, New York, N. Y., which received refunds of $8,389.58. Total, $3,848,067.52.
Joseph P. Day, New York, N. Y., $10,000.	Director of Metropolitan Life Insurance Co., New York, N. Y., which received refunds of $2,021,908.20; director of Imperial Assurance Co., New York, N. Y., which received refunds of $31,324.78. Total, $2,053,232.98.
Charles E. Doyle, New York, N. Y., $2,500.	Director of Remington Arms Co. (Inc.), New York, N. Y., which received refunds of $172,792.08.
P. S. du Pont, Wilmington, Del. (Pierre S. du Pont), $80,000.	Received a personal refund of $283,238.15, director of E. I. du Pont de Nemours & Co., Wilmington, Del., which received refunds of $5,184,317.91; director of Bankers' Trust Co., New York, N. Y., which received refunds of $29,165.70; director of Wilmington Trust Co., Wilmington, Del., which received refunds of $7,443.80. Total, $5,504,165.56.
Victor Emanuel, New York, N. Y., $5,000.	Director of Standard Gas & Electric Co., Chicago, Ill., which received refunds of $912,104.39; director of Duquesne Light Co., Pittsburgh, Pa., which received refunds of $355,895.14; director of Cumberland County Power & Light Co., Portland, Me., which received refunds of $106,501.77. Total, $1,374,501.30.
William H. Erhart (William Herman Erhart), New York, N. Y., $1,000.	Director of American Waterworks & Electric Co., New York, N. Y., which received refunds of $222,741.24.
S. W. Fordyce, St. Louis, Mo. (Samuel W. Fordyce), $7,150.	Received a personal refund of $1,067.60; director of Missouri, Kansas & Texas Railway, St. Louis, Mo., which received refunds of $45,170.02; director of Fox Theatres Corporation, New York, N. Y., which received refunds of $53,374.75. Total, $99,612.37.
James P. Geagan, New York, N. Y., $10,000.	Director of Burns Bros. Co., New York, N. Y., which received refunds of $435,805.78.
James W. Gerard, New York, N. Y., $17,600.	Received personal refunds of $12,580.08.
Mary D. Gerard, New York, N. Y., $2,000.	Received personal refunds of $9,898.29.
Peter Goelet Gerry, Warwick, Neck, R. I. (Peter G. Gerry), $30,000.	Received a personal refund of $32,679.66.
Robert L. Gerry, Newport, R. I., $10,000.	Received a personal refund of $20,831.13.
F. H. Ginn, Cleveland, Ohio (Frank H. Ginn), $2,000.	Received a personal refund of $1,412.37; director of Electric Comptroller & Manufacturing Co., Cleveland, Ohio, which received refunds of $303,059.85; director of the Otis Steel Co., Cleveland, Ohio, which received refunds of $407,744.01. Total, $712,216.23.
Robert Goelet, New York, N. Y., $10,000.	Received a personal refund of $15,820.26; director of Wabash Railway Co., St. Louis, Mo., which received refunds of $25,116.24; director of City Investing Co., New York, N. Y., which received refunds of $17,305.58; director of National Surety Co., New York, N. Y., which received refunds of $45,926.76. Total, $104,168.84.
Kingdon Gould, Lakewood, N. J., $5,000.	Received personal refunds of $61,588.99; director of Texas & Pacific Railroad Co., New York, N. Y., which received refunds of $240,331.80. Total, $301,920.79.
Joseph P. Grace, Long Island City, N. Y., $1,000.	Received a personal refund of $1,219.98; director of W. R. Grace & Co., New York, N. Y., which received refunds of $5,167,707.90; director of Atlantic & Pacific Steamship Co., New York, N. Y., which received a refund of $514,678.41; director of National City Bank of New York, New York, N. Y., which received a refund of $1,720,966.70. Total, $7,404,572.99.
John Jefferson Gray, jr., Nashville, Tenn., $500.	Director of Nashville, Chattanooga & St. Louis Railway Co., Nashville, Tenn., which received refunds of $85,072.82.
William V. Griffin, New York, N. Y. (William Vincent Griffin), $3,500.	Director of Continental Oil Co., Denver, Colo., which received refunds of $151,085.74; director of Cuba Railroad Co., New York, N. Y., which received refunds of $148,477; director of the Newport Co., Milwaukee, Wis., which received refunds of $55,246.78. Total, $354,809.52.
Charles S. Guggenheimer, New York, N. Y., $500.	Director of Miami Copper Co., New York, N. Y., which received refunds of $980,860.42.
August Heckscher, New York, N. Y., $9,000.	Director of Crucible Steel Co. of America, New York, N. Y., which received refunds of $111,079.15; director of Equitable Office Building Corporation, New York, N. Y., which received refunds of $121,162.42. Total, $232,241.57.
Henry Heide, New York, N. Y., $1,000.	Director of Henry Heide (Inc.), New York, N. Y., which received refunds of $107,539.82.
Edward H. Heller, San Francisco, Calif., $2,500.	Received a personal refund of $1,369.24; director of Roos Bros. (Inc.), San Francisco, Calif., which received refunds of $16,718.85. Total, $18,088.09.
William C. Heppenheimer, Jersey City, N. J., $8,000.	Received a personal refund of $8,701.91; director of Colonial Life Insurance Co. of America, Jersey City, N. J., which received refunds of $13,484.34. Total, $22,186.25.
George W. Hill, New York, N. Y., $5,000.	Received personal refunds of $16,854.08.
Harold K. Hochschild, New York, N. Y., $1,000.	Received a personal refund of $42,550.32; director of American Zinc & Chemical Co., New York, N. Y., which received a refund of $141,553.09. Total, $184,103.41.
Arthur Curtiss James, New York, N. Y., $35,000.	Received personal refunds of $65,983.76; director of Chicago, Burlington & Quincy Railroad Co., Chicago, Ill., which received refunds of $741,830.79; director of Western Pacific Railroad Co., New York, N. Y., which received refunds of $439,789.44. Total, $1,247,603.99.

Name and contribution	*Refunds*
Howard E. Jones, New York, N. Y. (Howard Escot Jones), $1,000.	Received a personal refund of $37,909.
Joseph P. Kennedy, New York, N. Y., $1,000.	Director of Pathé Exchange (Inc.), New York, N. Y., which received refunds of $107,186.25.
William F. Kenny, New York, N. Y., $278,000.	Director of Hickey Contracting Co., New York, N. Y., which received refunds of $12,111.50.
S. H. Keoughan, Denver, Colo. (Sidney H. Keoughan), $1,000.	Director of Continental Oil Co., Denver, Colo., which received refunds of $151,085.74.
Adrian H. Larkin, Southampton, Long Island, N. Y., $500.	Director of International Match Co., Wilmington, Del., which received refunds of $107,247.05; director of Sloss-Scheffield Steel & Iron Co., Birmingham, Ala., which received refunds of $55,724.61; director of U. S. Industrial Alcohol Co., New York, N. Y., which received refunds of $804,556.19. Total, $967,527.85.
Arthur Lehman, New York, N. Y., $14,000.	Received a personal refund of $641.38; director of Jewel Tea Co. (Inc.), Chicago, Ill., which received a refund of $133,976.59; director of Amalgamated Leather Co. (Inc.), New York, N. Y., which received a refund of $1,112,391.44; director of the Studebaker Corporation, South Bend, Ind., which received refunds of $202,366.97. Total, $1,449,376.38.
Harold Lehman, New York, N. Y. (Harold M. Lehman), $2,500.	Director of Phoenix Hosiery Co., Milwaukee, Wis., which received refunds of $69,037.26.
Herbert H. Lehman, New York, N. Y., $275,000.	Received personal refunds of $5,199.28; director of Studebaker Corporation, South Bend, Ind., which received refunds of $202,366.97; director of Jewel Tea Co. (Inc.), Chicago, Ill., which received refunds of $133,976.59; director of Van Raalte Co., New York, N. Y., which received refunds of $311,063.37; director of Spear & Co., Pittsburgh, Pa., which received a refund of $248,717.33. Total, $901,323.54.
Philip Lehman, New York, N. Y., $2,500.	Director of F. W. Woolworth Co., New York, N. Y., which received a refund of $637,961.94; director of Amalgamated Leather Co. (Inc.), New York, N. Y., which received a refund of $1,112,391.44. Total, $1,750,353.38.
S. W. Lehman, New York, N. Y. (Sigmund M. Lehman), $7,500.	Received personal refunds of $11,617.86.
R. A. Long, Kansas City, Mo. (Robert A. Long), $1,000.	Director of the Long-Bell Lumber Corporation, Kansas City, Mo., which received refunds of $103,003.94.
George MacDonald, New York, N. Y., $25,000.	Director of Chatham & Phenix National Bank & Trust Co., New York, N. Y., which received a refund of $139,650.25; director of Cities Service Co., New York, N. Y., which received refunds of $821,374.61. Total, $961,024.86.
Norman E. Mack, Buffalo, N. Y., $2,500.	Received personal refunds of $5,822.99.
M. L. Madden, Boston, Mass. (M. Lester Madden), $2,000.	Director of Hollingsworth & Whitney Co., Boston, Mass., which received a refund of $516,446.33.
J. H. Markham, jr., Tulsa, Okla. (John H. Markham), $5,000.	Received a personal refund of $6,666.62; director of Exchange National Bank, Tulsa, Okla., which received refunds of $20,092.46. Total, $26,759.08.
Cyrus H. McCormick, Chicago, Ill., $2,500.	Received personal refunds of $22,420.33.
Harold F. McCormick, Chicago, Ill., $1,000.	Received personal refunds of $28,463.54.
John McCormick, London, England, $10,000.	Received personal refunds of $20,044.85.
Patrick McGovern, New York, N. Y., $22,000.	Received personal refunds of $16,924.27.
George V. McLaughlin, Brooklyn, N. Y., $1,000.	Director of Equitable Life Assurance Society of the United States, New York, N. Y., which received refunds of $740,676.88.
Claude Meeker, Columbus, Ohio, $14,500.	Received personal refunds of $1,691.96; director of Brightman Manufacturing Co., Columbus, Ohio, which received refunds of $64,443.39. Total, $66,135.35.
Herman A. Metz, New York, N. Y., $4,000.	Received personal refunds of $37,414.82; director of H. A. Metz & Co. (Inc.), New York, N. Y., which received refunds of $75,445.52; director of Consolidated Color & Chemical Co., New York, N. Y., which received refunds of $169,262.49; director of H. A. Metz Laboratories Co. (Inc.), New York, N. Y., which received refunds of $325,894.86. Total, $608,017.69.
Joseph A. Moore, New York, N. Y., $1,000.	Received a personal refund of $1,081.34; director of The Butterick Co., New York, N. Y., which received refunds of $238,583.57. Total, $239,664.91.
John K. Mullen, Denver, Colo., $1,500.	Director of Colorado Milling & Elevator Co., Denver, Colo., which received refunds of $192,412.64.
John A. Noble, New York, N. Y., $2,500.	Director of Harriman National Bank, New York, N. Y., which received refunds of $179,249.76.
Charles F. Noyes, New York, N. Y., $10,000.	Director of United Cigar Stores of America, New York, N. Y., which received refunds of $741,789.87.
Joseph J. O'Brien, New York, N. Y., $3,000.	Received a personal refund of $1,268.05; director of Mechanics Bank of Brooklyn, Brooklyn, N. Y., which received refunds of $71,734.96. Total, $73,003.01.
Morgan J. O'Brien, New York, N. Y., $5,500.	Director of Metropolitan Life Insurance Co., New York, N. Y., which received refunds of $2,021,908.20; director of Thompson-Starrett Co., New York, N. Y., which received refunds of $28,021.03. Total, $2,049,929.23.
Mrs. Alice D. Osborne, New York, N. Y. (Alice D. Osborn), $2,500.	Received personal refunds of $42,572.51.
Junius Parker, New York, N. Y., $5,500.	Director of American Tobacco Co., New York, N. Y., which received refunds of $4,267,241.61.
Thomas I. Parkinson, New York, N. Y., $1,000.	Director of Interborough Rapid Transit Co., New York, N. Y., which received refunds of $1,179,417.30; director of the Chase National Bank, New York, N. Y., which received refunds of $43,126.35; director of Western Electric Co., New York, N. Y., which received refunds of $303,005.06. Total, $1,525,548.71.
W. T. Payne, Kingston, Pa. (William T. Payne), $5,000.	Received a personal refund of $7,543.88; director of Burns Bros. Co., New York, N. Y., which received refunds of $435,805.78. Total, $443,349.66.
S. Peabody, Chicago, Ill. (Stuyvesant Peabody), $2,000.	Director of Consumers Co., Chicago, Ill., which received refunds of $218,574.65; director of Peabody Coal Co., Chicago, Ill., which received a refund of $5,111.93. Total, $223,686.59.
H. Hobart Porter, New York, N. Y., $1,500.	Director of United Cigar Stores of America, New York, N. Y., which received refunds of $741,789.87; director of the Texas & Pacific Railway Co., Dallas, Tex., which received refunds of $240,331.80; director of Sugar Land Railway Co., Sugar Land, Tex., which received refunds of $29,031.48. Total, $1,011,153.15.
R. A. Rainey, New York, N. Y. (Roy A. Rainey), $1,000.	Received a personal refund of $134,421.96.
John J. Raskob, New York, N. Y. (or Delaware), $612,000 (including both amounts listed as contributions and as loans).	Received a personal refund of $3,361.90; director of E. I. du Pont de Nemours & Co., Wilmington Del., which received a refund of $5,184,317.91; director of the Bankers Trust Co., New York, N. Y., which received a refund of $29,165.70; director of the Missouri Pacific Railroad, St. Louis, Mo., which received a refund of $18,000. Total, $6,234,845.51.

Name and contribution	*Refunds*
Samuel W. Reyburn, New York, N. Y., $2,500.	Director of Associated Dry Goods Corporation of Virginia, Hoboken, N. J., which received refunds of $395,174.79.
Franklin D. Roosevelt, New York, N. Y., $3,000.	Director of International Germanic Trust Co., New York, N. Y., which received a refund of $2,013.12; director of Fidelity & Deposit Co. of Maryland, Baltimore, Md., which received a refund of $44,856.10. Total, $46,869.22.
Moritz Rosenthal, New York, N. Y., $1,000.	Director of Burns Bros. Co., New York, N. Y., which received refunds of $435,805.78; director of Duquesne Light Co., Pittsburgh, Pa., which received refunds of $355,895.14; director of Philadelphia Co., Pittsburgh, Pa., which received a refund of $2,791,604.83; director of Missouri, Kansas & Texas Railway, St. Louis, Mo., which received refunds of $45,172.02. Total, $3,628,477.77.
Jacob Ruppert, New York, N. Y., $6,000.	Received a personal refund of $84,461; director of Astoria Silk Works (Inc.), Long Island, N. Y., which received refunds of $59,960.09. Total, $144,421.09.
John D. Ryan, New York, N. Y., $27,500.	Received a personal refund of $6,013.36; director of The Montana Power Co., Butte, Mont., which received refunds of $318,683.01; director of National City Bank of New York, New York, N. Y., which received a refund of $1,720,966.70; director of American Power & Light Co., New York, N. Y., which received refunds of $237,556.04; director of Consolidated Gas Co., New York, N. Y., which received refunds of $169,198.79; director of American Brass Co., Waterbury, Conn., which received refunds of $1,028,780.92. Total, $3,481,198.82.
Charles H. Sabin, New York, N. Y., $2,500.	Director of International Mercantile Marine Co., New York, N. Y., which received refunds of $939,476.81; director of Montana Power Co., Butte, Mont., which received refunds of $318,683.01; director of Texas & Pacific Railway Co., New York, N. Y., which received refunds of $240,331.80; director of Vanadium Corporation of America, New York, N. Y., which received a refund of $62,436.09. Total, $1,560,927.71.
Alfred F. Seligsberg, New York, N. Y. (Alfred Seligsberg), $1,000.	Director of R. H. Macy & Co. (Inc.), New York, N. Y., which received a refund of $508,065.35.
Alfred E. Smith, New York, N. Y., $1,500.	Director of National Surety Co., New York, N. Y., which received refunds of $45,926.76.
G. B. Smith, New York, N. Y. (George B. Smith), $500.	Director of Ward Baking Co., New York, N. Y., which received refunds of $144,784.56.
V. P. Snyder, New York, N. Y. (Valentine P. Snyder), $2,000.	Received a personal refund of $12,252.14; director of Equitable Life Assurance Society of the United States, New York, N. Y., which received refunds of $740,676.88; director of Guaranty Trust Co. of New York, New York, N. Y., which received refunds of $8,389.58. Total, $761,318.60.
Nathaniel Spear, Pittsburgh, Pa., $1,000.	Director of Spear & Co., Pittsburgh, Pa., which received a refund of $248,717.33.
Rudolph Spreckles, New York, N. Y., $15,000.	Director of Spreckles Sugar Corporation, San Francisco, Calif., which received refunds of $143,207.03; director of Federal Sugar Refining Co. of New York, New York, N. Y., which received refunds of $129,696.21. Total, $272,903.24.
M. D. Steuer, New York, N. Y. (Max D. Steuer), $5,500.	Received a personal refund of $52,571.80.
Jesse Isidor Straus, New York, N. Y., $20,000.	Received personal refunds of $3,706.54; director of New York Life Insurance Co., New York, N. Y., which received refunds of $636,988.80; director of R. H. Macy & Co., New York, N. Y., which received a refund of $508,065.35; director of North British & Mercantile Insurance Co., New York, N. Y., which received refunds of $74,568.43. Total, $1,223,329.12.
Percy S. Straus, New York, N. Y., $20,000.	Received a personal refund of $18,946.39; director of R. H. Macy & Co., New York, N. Y., which received a refund of $508,065.35. Total, $527,011.74.
Gerard Swope, New York, N. Y., $7,000.	Director of International General Electric Co., New York, N. Y., which received a refund of $70,721.42; director of National City Bank of New York, New York, N. Y., which received a refund of $1,720,966.70. Total, $1,791,688.12.
Thomas J. Tyne, Nashville, Tenn., $5,000.	Director of National Life & Accident Insurance Co., Nashville, Tenn., which received refunds of $181,275.27.
George H. Walker, New York, N. Y. (G. H. Walker), $5,000.	Director of Barnsdall Corporation, New York, N. Y., which received refunds of $337,285.17; director of United States Industrial Alcohol Co. of New York, New York, N. Y., which received refunds of $804,556.19. Total, $1,141,841.36.
Rolla Wells, St. Louis, Mo., $500.	Received a personal refund of $6,709.34; director of Columbian National Life Insurance Co., Boston, Mass., which received refunds of $165,109.90. Total, $171,819.24.
Sanders A. Wertheim, New York, N. Y., $13,000.	Received personal refunds of $42,879.38; director of Burns Bros. Co., New York, N. Y., which received refunds of $435,805.78; director of Steamship Fuel Corporation, New York, N. Y., which received refunds of $5,761.64. Total, $484,446.80.
William H. Woodin, New York, N. Y., $40,000.	Director of American Car & Foundry Co., New York, N. Y., which received refunds of $65,767.17; director of American Locomotive Co., New York, N. Y., which received refunds of $1,075,630.95; director of the Cuba Railroad Co., New York, N. Y., which received refunds of $148,377; director of Remington Arms Co., New York, N. Y., which received refunds of $172,792.08. Total, $1,462,567.20.
Adolph Zukor, New York, N. Y., $2,500.	Director of Paramount Famous Lasky Corporation, New York, N. Y., which received a refund of $148,431.93.

A REPLY TO HON. BERTRAND H. SNELL, LEADER OF THE REPUBLICANS IN THE HOUSE OF REPRESENTATIVES

Mr. RAINEY. Mr. Speaker, although this reply, under the rules of the House, to Mr. SNELL purports to have been made on the 16th day of July, I am in fact making this reply on the 22d day of July. The speech of Mr. SNELL appears in the Appendix to the CONGRESSIONAL RECORD as of July 21, 1932, five days after the adjournment of the House. The RECORD shows that Mr. SNELL prepared his speech on the 15th day of July, 1932. Congress was in session on that day, and Congress was in session on the next day, the 16th day of July, and did not adjourn until nearly 12 o'clock of the night of the 16th. During those two days the Democratic Congress was simply "marking time," waiting on the Republican Senate. The Democratic House had finished its work during those two days and there were frequent recesses in the House, subject to the call of the Speaker, and there was ample time and opportunity for Mr. SNELL to have made his speech on the floor of the House at any time during the two last days of the session.

However, he preferred to hold it out and print it long after the adjournment of the session when he thought there would be no opportunity to reply. Fortunately, the last edition of the RECORD does not make its appearance until Monday of next week. This gives an opportunity for a reply which Mr. SNELL did not anticipate.

I have read with amazement his speech. I doubt whether more misrepresentations of fact and more pure demagoguery has ever been assembled in an alleged speech of equal length. He prints his speech under the heading, "Democratic House Majority Faces Indictment," and then he proceeds to produce the indictment.

He discusses President Hoover's "constructive program," as he calls it, and condemns what the President designated as the Democratic pork barrel bill. He forgets to mention that the relief bill, which finally met with the President's approval, after the Democratic relief bill failed, carries just as much money as the Democratic relief bill, and the best features in the relief bill which passed and received the President's approval and the only features which were entitled to approval were carried, all of them, in the original Garner plan bill. The difference is that the original Garner plan bill presented a constructive method of financing through the years. The relief bill, as passed, under the President's dictation simply has the effect of adding the immense sum carried by it to the public debt. This is a particularly easy way of financing the Government from the standpoint of Republican leaders.

For the fiscal year which has just ended the Republican deficit was $3,000,000,000, the largest deficit in the history of nations. I wonder why Mr. SNELL does not mention it. The deficit for the year 1931 was almost a billion dollars. No attempt has been made by Republican leaders to finance these enormous deficits. They have simply been added to the public debt, and if, during the period of this Republican depression, these deficits could be converted into long-term bonds the interest charge every year would amount to as much as it costs to carry on any one of the departments of this Government.

DELAY IN BALANCING BUDGET

Mr. SNELL criticizes what he charges to be a Democratic delay in balancing the Budget. The Ways and Means Committee commenced their work on balancing the Budget last November. It was a tremendous task faced by the Democratic majority in the House. They were compelled to meet a Republican deficit which it was represented to them by Assistant Secretary of the Treasury Mills, now Secretary of the Treasury, amounted to $901,000,000. We proceeded with the work on that theory until finally, on the first Sunday in January, when the bill was completed, Hon. Bernard M. Baruch, a distinguished economist and a Democratic leader, came down from New York and called on me in my office in the Capitol, bringing with him his own economist. Mr. Baruch and his economist convinced me in a few minutes that we had not balanced the Budget, that $901,000,000 was not the amount of the approaching Republican deficit for the fiscal year 1932, but that it would exceed that amount probably by $400,000,000. As a result of this the next day the Ways and Means Committee summoned Assistant Secretary Mills and his assistants to the committee rooms. We presented to him the facts. The amount of our possible income for the fiscal year 1932 had been overestimated and the amount of our necessary expenditures had been underestimated. Mr. Mills agreed to consult the next day with the economist of Mr. Baruch, but he objected to Mr. Baruch and his economist appearing before the committee with their evidence. It would not have been complimentary to the administration and to the Treasury Department to have the evidence preserved in the record. We agreed to this. The interview occurred, and two or three days later the Treasury Department, through Assistant Secretary Mills, agreed that they were wrong in their estimates and they agreed that the deficit was not $900,000,000 but was $1,200,000,000. It then became necessary for us to revise the entire taxing bill, and the Treasury Department gave as their excuse for the incorrect estimates of November, 1931, the fact that they had before them then only the reports for October, 1931, and that since that time and until January the downward trend of business had proceeded until the deficit which they were finally willing to admit had attained the enormous proportions which we were compelled to provide for, and which we did provide for, attempting to impose in particular a general manufacturers' sales tax.

A general manufacturers' sales tax never was supported by the administration. Speaking for the administration, Assistant Secretary Mills originally proposed as a method of balancing the Budget in December, 1931, the irritating, objectionable taxes which are now in the law. The manufacturers' sales tax proposal failed. I have never heard that it received any support whatever from the President or from Republican leaders until I read that astounding statement in Mr. SNELL's extended remarks. If it had received the support of the President and of the Treasury Department the manufacturers' sales tax would have been enacted into law. After the manufacturers' sales tax failed in the Republican Senate and it was apparent that it could not be adopted, the President, in a communication to that body, suggested it as a tax which might meet the emergency. It was a suggestion which came too late. It was intended to place Republican leaders in the position of saying that the administration favored that kind of a tax as a defense against the irritating taxes which are now imposed and for which the administration and the Treasury Department always stood.

A heading in Mr. SNELL's speech reads, "Democratic House Preached Economy—Practiced Extravagance," and then he proceeds to argue the matter along that line. I wonder why he does not mention that on account of Democratic initiative the Budget proposed by the Democratic House and finally carried into permanent legislation effected a reduction of $1,100,000,000 under the Republican Budget expenditures of 1931. If this is not a substantial reduction in the expenditures of this Government made possible by the Democratic House I would like to know what you can call it.

Whatever delay there was in the bill to balance the Budget was due entirely to the incompetency of the Treasury Department officials who finally admitted that their estimates were nearly $300,000,000 wrong.

LOANS TO INDIVIDUALS

Mr. SNELL criticized the Garner plan bill because it provided for loans to individuals, but he omitted to call attention to the fact that the relief bill, as passed, and which meets with his approval, provides for loans to individuals and for loans to corporations and partnerships, but these loans must be obtained from the Federal reserve system. The bill, as passed, carried these proposed loans to individuals and is indefensible indeed. No loans will be made except to a favored few, if they are made. Loans can only be made upon the approval of the Federal Reserve Board of Directors, controlled, all of them, by the President and by the Treasury Department. The loans provided in the Garner plan bill to individuals and municipalities and corporations were all to be made only upon adequate security. Loans made under the President's plan omit this safeguard. If the loans to be made merely meet with the approval of the Federal Reserve Board, that is sufficient under the bill which has passed.

PORK BARREL BILLS

The bill, as passed—if I understand what a pork barrel bill is—is the most perfect example of pork-barrel legislation in the history of this country. The bill, as passed, carries $322,000,000 for this purpose. It does not specify any of the buildings which are to be built, nor the river and harbor projects which are to be undertaken under it, but the bill makes it possible for the Secretary of the Treasury to veto any public-works proposal by simply stating that the money necessary for it is not available or can not be obtained upon reasonable terms. At the present time the Treasury Department is borrowing money at less than 1 per cent per annum. If that is not reasonable terms, I do not know what it is. There will be public buildings built under this bill and

there will be river and harbor and flood control projects undertaken under this bill; but an examination of the facts will disclose that if any of this character of public works is undertaken it will be undertaken in such a manner that the Republican national ticket or Republican candidates for Congress can obtain credit for it. This is a pork barrel bill, pure and simple, and loans to individuals and corporations now provided for may well be another example of pork-barrel propositions. The favored individual or corporation or partnership which is able to obtain these loans now will, in all probability, be a representative of the great interests which Republican leaders always stand for.

PORK-BARREL LEGISLATION FOR DISTRICT OF COLUMBIA

I wonder why Mr. SNELL omitted to call attention to the fact that under the Coolidge and Hoover administrations Republican Congresses appropriated and are now expending nearly $350,000,000 for public buildings and improvements in the District of Columbia, including a $14,000,000 bridge where a bridge was not needed and including a $6,000,000 roadway to Mount Vernon where a roadway was not needed. The District of Columbia has been well taken care of, but the rest of the country has been neglected. A mere pittance has been distributed throughout the United States. The bill which he denounces as a pork barrel bill, borrowing that phrase from the President, provides an expenditure for public buildings all over the United States outside of the District of Columbia amounting to one twenty-fifth of as much money as has been appropriated and is now being expended, nearly all of it under Mr. Hoover's administration, in the District of Columbia alone. This amount of money was not needed here as an unemployment-relief measure. There is no unemployment in the District of Columbia and there never has been. The only business transacted in the District of Columbia is the business of carrying on this great Government, and there are 90,000 employees here who receive ample salaries and whose salaries keep the city of Washington going. The Garner plan bill merely provided one twenty-fifth of this amount for the relief of unemployment in the construction of buildings throughout the United States.

The larger part of Mr. SNELL's speech consists of pure bunk. It reflects no credit upon the Republican leaders nor upon the Republican administration nor upon Mr. SNELL himself.

PUBLIC MONEY FOR ROADS

Mr. SNELL refers to the "crafty plan to distribute $132,000,000 of public money to favored States for road purposes." The bill as passed contains this same provision. If it was a "crafty plan" in the Garner plan bill, I am wondering how it ceases to be a crafty plan in the bill which has just passed. Title I of the bill as passed provides for loans to States of $300,000,000. If the States do not pay it back, the amount they borrow is to be deducted from allotments to the States in future years for highway building. If this is not a "crafty plan," I would like to know what it is.

What assurance have we that the Congress will continue through future years its plan of contributing money on the 50-50 basis for building highways in States, and if it does continue this plan, how is this money ever to get back into the Treasury? If it does get back in the Treasury on account of the continuance of the plan, it gets back simply as the result of a "crafty" bookkeeping method. If it accomplishes anything, it pledges the Federal Government in the future to keep up its allotment for road-building purposes to the State indefinitely and until this large sum of money is accounted for in that way. If these appropriations are to be made for road-building purposes for States in the future and then taken away from them because they owe the Government this relief money, the whole thing means nothing at all. It is a direct charge on the Federal Treasury. A more "crafty" method of dealing with the States has never been devised. Who expects the States to pay back any money loaned by the Federal Government? When did any State ever pay back any money loaned to it by the Federal Government?

Away back in the Democratic Jackson administration when the Government paid its own way and did not have an enormous Republican deficit, the Jackson administration found itself with no debts and with a large amount of money in its Treasury. This money was loaned to the States; $4,000,000 of it was loaned nearly 100 years ago to Mr. SNELL's own State of New York. The State of New York never paid it back. It would amount to a large sum of money indeed now if interest were added at the prevailing rate for the 97 years which have passed since then. Loans were made by the Jackson administration to all the States then in existence, but New York received the lion's share, and none of them ever paid it back, and none of them ever will pay it back. The theory in the relief bill that the States will pay any of this money we are now loaning them for the relief of distress is "crafty" indeed.

Under a heading, "Bonus Bill—Veterans Misled by Demagogy," Mr. SNELL proceeds to discuss what he calls the "crowning act of folly" of the Democratic Party, resulting in the presence of 20,000 veterans in the city of Washington demanding payment of their certificates 13 years before they are due. The "crowning act of folly" occurred in the Sixty-sixth Congress, controlled by a large Republican majority. In the Sixty-sixth Congress we commenced to discuss the question of veterans' relief. It was to be the last of the war bills. During the period of the World War the Ways and Means Committee formulated its war bills always in full committee with the Republicans present, although the Democrats were in control of the committee and of the Congress.

In the Sixty-sixth Congress the Ways and Means Committee commenced its consideration of the "fourfold plan" for veterans' relief suggested by the American Legion, then a new organization among the veterans, and stronger even then than it is now. This plan did not contemplate adjusted-service certificates. The soldiers never asked for them and did not want that kind of "graveyard insurance." The American Legion never suggested it.

At that time I introduced a bill. ROYAL C. JOHNSON, a Republican Member of Congress, introduced the same bill on the Republican side. It provided for cash payments to the veterans, to be obtained by taxing war profiteers. If given an opportunity, the bill would have passed the House. In order to meet this situation, however, the Republican majority of the Ways and Means Committee met in secret sessions and formulated the adjusted-service certificate plan for relief. The Democrats had nothing to do with it. As soon as they commenced their secret meetings, I obtained the floor and denounced this method of relief, and denounced the secret meetings of the Republican members of the Ways and Means Committee.

There were 4,000,000 veterans then, and the vote of the veterans interested the Republicans. They framed this measure of relief in order to get the veterans' votes. The Government was to pay the premiums for 20 years, and in 1945 these certificates were to become due, and the theory was that 1945 was the time when service pensions would be demanded, and these adjusted-service certificates coming due then would obviate necessity for service pensions. It was Republican partisanship in 1920 which resulted in the bonus muddle which confronts us now. In my speeches on the floor and in my minority reports I called attention to the billions of dollars which their plan would mean in the end, to the fact that the soldiers would never be satisfied with it, and I predicted that what is happening now would happen.

The bill finally passed and became a law in 1924, after the bill of 1920 had passed the House and failed in the Senate, and after one bill had passed both Houses and was vetoed by the President. It was estimated that the bill of 1924, which is now the law, would make a charge on the Treasury of $2,000,000,000. It has already cost more than that, and the "graveyard insurance" we gave to the veterans has produced the conditions of which Mr. SNELL complains. The situation can be entirely traced to Republican partisanship and to the determination of Republican leaders to make the bonus a partisan Republican issue. The bill of 1920 was called up under suspension of the rules. I was permitted no opportunity to amend it by substituting my bill providing for cash payments to veterans financed by taxes on war profiteers. War profiteers were tenderly protected then and they are tenderly protected now.

BUDGET NOT BALANCED

We have not balanced the Budget. There is in sight today, this early in the fiscal year 1933, a deficit of $419,000,000, notwithstanding these oppressive taxes which we are all going to be compelled to pay, and this deficit will increase with each passing month.

POLICIES TO BE CONTINUED

The policy of the Hoover administration is to be continued, if, unfortunately for the country and the world, Mr. Hoover is reelected. Under Republican policies and Republican bills it is proposed to continue to make loans to railroads and banks and insurance corporations. There is to be no relief for the individual unless he is big enough to command the respect of the Federal Reserve Board. The Republican deficit will continue to increase. The Republican depression will continue increasing in intensity.

The Hoover plan provides no basic relief for the effects of Republican policies which have been continued now through three Republican administrations. The only relief in sight is to discontinue in November at the polls the control of the party leaders which has resulted in the deplorable conditions under which this, the greatest and richest country in the world, struggles along at the present time.

We had a constructive plan in the Garner bill which would have commenced the return of prosperity at the bottom by helping the ordinary citizen, the farmer and the wage earner, who create the wealth which is concentrated under Republican policies and Republican leaders in the hands of a few.

We had only a meager majority of six in the House of Representatives and no majority at all in the Senate, and we had a Republican President whose leadership has failed. Under these unfavorable conditions the Democratic House has accomplished results and we have made a record upon which we enter with confidence in the campaign which is opening now.

ADJOURNMENT SINE DIE

Mr. RAINEY. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 11 o'clock and 30 minutes p. m.) the House, under the concurrent resolution, adjourned sine die.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of Rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

635. A letter from the Comptroller General of the United States, transmitting his report and recommendations to the Congress concerning the claims of Mrs. Rose Gillespie, Joseph Anton Dietz, and Manuel M. Wiseman, as trustee of the estate of Louis Wiseman.

636. A communication from the President of the United States, transmitting for the consideration of Congress a supplemental estimate of appropriation for salaries and expenses of the Federal Home Loan Bank Board for the fiscal year 1933, amounting to $300,000 (H. Doc. No. 363); to the Committee on Appropriations and ordered to be printed.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of Rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. CHRISTGAU: A bill (H. R. 12996) to aid farmers in making regional readjustments in agricultural production and to assist in preventing undesirable surpluses; to the Committee on Agriculture.

By Mr. LOZIER: A bill (H. R. 12997) to authorize the reimbursement of the Missouri State Highway Department, certain drainage and levee districts, and certain individuals for funds contributed to the War Department for use in the construction of permanent improvements on the Missouri River; to the Committee on Rivers and Harbors.

By Mr. DOUGHTON: A bill (H. R. 12998) to repeal the tax on bank checks; to the Committee on Ways and Means.

By Mr. LONERGAN: A bill (H. R. 12999) to provide for increasing the permissible alcoholic content of beer, ale, porter, and wine to 4 per cent by volume, and to provide for a proper and needed revenue therefrom; to the Committee on the Judiciary.

By Mr. SOMERS of New York: A bill (H. R. 13000) to aid in securing a normal and stable commodity price level, through the establishment of an auxiliary monetary reserve of silver and the issuance of silver certificates, under circumstances insuring the maintenance of the gold standard; to the Committee on Coinage, Weights, and Measures.

By Mr. PETTENGILL: A bill (H. R. 13005) to place on the Congressional Roll of Honor the names of the participants of the Balangiga Massacre; to the Committee on Military Affairs.

By Mr. KELLER: Resolution (H. Res. 291) directing the Secretary of the Treasury to examine certain testimony and evidence in regard to violations of the revenue statutes of the United States; to the Committe on Ways and Means.

Also, resolution (H. Res. 292) directing the Attorney General to investigate certain testimony and evidence and to determine if such evidence discloses or indicates any violations of the criminal statutes; to the Committee on the Judiciary.

Also, resolution (H. Res. 293) directing the Secretary of the Treasury to investigate the common practice to avoid and evade the payment of income taxes by certain citizens and corporations of the United States; to the Committee on Ways and Means.

By Mr. LAGUARDIA: Concurrent resolution (H. Con. Res. 39) that the House stand in recess until September 15, 1932; 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. CELLER: A bill (H. R. 13001) for the relief of Isidore Sisselman; to the Committee on Naval Affairs.

By Mr. GAMBRILL: A bill (H. R. 13002) granting a pension to Joseph C. Neihiemer; to the Committee on Pensions.

By Mr. LEA: A bill (H. R. 13003) for the relief of Joseph M. Purrington; to the Committe on Claims.

By Mr. LUDLOW: A bill (H. R. 13004) granting an increase of pension to Melissa C. Moss; to the Committee on Invalid Pensions.

PETITIONS, ETC.

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

8538. By Mr. GARBER: Petition of Benjamin E. Cook, service officer, American Legion, Kay County, Okla., and a communication from the commander of the American Legion Post at Ponca City, Okla., urging enactment of legislation permitting veterans to continue prosecution of insurance cases in the Federal courts; to the Committee on World War Veterans' Legislation.

8539. Also, petition of R. T. Brown, H. Gilmore, A. Lawder, S. L. Massie, F. G. Pope, O. L. Barnes, F. Speakman, and L. S. Palmer, of Tyrone, Okla., demanding passage of the Norbeck agricultural bill or similar legislation for the relief of agriculture; to the Committee on Agriculture.

8539½. By Mr. KVALE: Petition of Farmers' Union of Edison Township, Appleton, Minn., requesting repeal of the Council of Defense at this time; to the Committee on Military Affairs.

8540. By Mr. RAINEY: Petition of B. H. Bowie and 53 other business men of Carrollton, Ill., protesting against the tax on bank checks; to the Committee on Ways and Means.

8541. By Mr. WHITTINGTON: Petition of Jackson National Farm Loan Association, favoring refinancing of loans by Federal land banks; to the Committee on Banking and Currency.

8542. By the SPEAKER: Resolution of the General Assembly of the State of Illinois, favoring the enactment of Senate bill 1197; to the Committee on Agriculture.