By Mr. CELLER: Resolution (H.Res. 110) authorizing the Judiciary Committee to inquire into and investigate the matter of appointments, conduct, proceedings, and acts of receivers, trustees, and referees in bankruptcy; to the Committee on Rules.

By Mr. KELLY of Pennsylvania: Joint resolution (H.J.Res. 156) to make available funds of public and private charitable associations deposited in restricted and closed banks; to the Committee on Banking and Currency.

By Mr. McREYNOLDS: Joint resolution (H.J.Res. 157) providing for the use of the water of the St. Lawrence River for the generation of power by the State of New York under and in accordance with the provisions of the Great Lakes-St. Lawrence deep waterway treaty between the United States and Canada; to the Committee on Interstate and Foreign Commerce.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BLANCHARD: A bill (H.R. 5067) granting an increase of pension to Fidelia L. Mitchell; to the Committee on Pensions.

By Mr. LUDLOW: A bill (H.R. 5068) for the relief of Charles G. Keiser; to the Committee on the Civil Service.

By Mr. McREYNOLDS: A bill (H.R. 5069) granting a pension to Sarah Hall Swafford; to the Committee on Invalid Pensions.

Also, a bill (H.R. 5070) for the relief of William Harris; to the Committee on Military Affairs.

By Mr. ROBERTSON: A bill (H.R. 5071) granting a pension to Ida B. Cutright; to the Committee on Invalid Pensions.

By Mr. WIGGLESWORTH: A bill (H.R. 5072) granting an increase of pension to John J. Duffy; to the Committee on Pensions.

PETITIONS, ETC.

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

569. By Mr. LINDSAY: Petition of National Union Assurance Society, Toledo, Ohio, urging defeat of the McLeod-Norris bill; to the Committee on Banking and Currency.

570. Also, petition of International Tailoring Co., New York City, concerning the 30-hour-week bill; to the Committee on Labor.

571. Also, petition of National Association of Finance Companies, Chicago, Ill., favoring Senate bill 747 and House bill 4551; to the Committee on Banking and Currency.

572. Also, petition of American Manufacturers Export Association, New York City, urging immediate negotiation of reciprocal tariff arrangements between the United States Government and other national governments in the interests of a freer and mutually advantageous exchange of goods in international trade; to the Committee on Foreign Affairs.

573. Also, petition of Chas. M. Higgins & Co., Inc., Brooklyn, N.Y., manufacturers of inks and adhesives, opposing the Black bill, S. 158; to the Committee on Labor.

574. Also, petition of Joseph Dixon Crucible Co., Jersey City, N.J., graphite products, opposing the Black bill, S. 158; to the Committee on Labor.

575. Also, petition of Irish-American Unified Society of New York, Inc., Bayridge Branch, Brooklyn, N.Y., favoring the Black 30-hour-week bill; to the Committee on Labor.

576. Also, petition of Ethel Catlin and Martha Zentner, of Brooklyn, N.Y., opposing the Black 30-hour-week bill; to the Committee on Labor.

577. By Mr. LUDLOW: Petition from the Associated Employers of Indianapolis, the National Metal Trades Association (Indianapolis branch), and Foundrymen's Association, Inc., of Indianapolis, opposing the passage of the Black bill, S. 158, the 30-hour-week bill; to the Committee on Labor.

578. By Mr. LINDSAY: Petition of New York Typographical Union, No. 6, New York City, endorsing the Black-Connery bill; to the Committee on Labor.

579. By Mr. RUDD: Petition of National Union Assurance Society, Manhattan Council, No. 781, New York City, opposing the passage of the McLeod-Norris bill; to the Committee on Banking and Currency.

580. Also, petition of Charles M. Higgins & Co., Brooklyn, N.Y., opposing the passage of the Black bill, S. 158, providing for a 30-hour work week; to the Committee on Labor.

581. Also, petition of Ethel Catlin, Brooklyn, N.Y., opposing the passage of the Black bill, S. 158, providing for a 30-hour work week; to the Committee on Labor.

582. Also, petition of Joseph Dixon Crucible Co., Jersey City, N.J., opposing the passage of the Black bill, S. 158, providing for a 30-hour work week; to the Committee on Labor.

583. Also, petition of New York Typographical Union, No. 6, New York City, favoring the passage of the Black-Connery 30-hour work week with certain amendments; to the Committee on Labor.

584. Also, petition of Irish-American Unified Society of New York, Inc., Bayridge Branch, Brooklyn, favoring the passage of the Black bill, S. 158, providing for a 30-hour work week; to the Committee on Labor.

585. By Mr. WERNER: Memorial of the Black Hills Mining and Industrial Association, Deadwood, S.Dak., urging enactment by Congress of legislation to suspend for fiscal year 1933 assessment work on mineral claims in the public domain, and of sane, sound, carefully drawn legislation to regulate sales of corporate securities in interstate commerce, etc.; to the Committee on Mines and Mining.

586. By the SPEAKER: Petition of the Hazel-Atlas Glass Co. of California, protesting against the Black-Connery labor bill; to the Committee on Labor.

SENATE

WEDNESDAY, APRIL 19, 1933

(Legislative day of Monday, Apr. 17, 1933)

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

Mr. ROBINSON of Arkansas. I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

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

Adams	Costigan	Keyes	Reynolds
Ashurst	Couzens	King	Robinson, Ark.
Austin	Cutting	La Follette	Robinson, Ind.
Bachman	Dickinson	Lewis	Russell
Bailey	Dieterich	Logan	Schall
Bankhead	Dill	Lonergan	Sheppard
Barbour	Duffy	Long	Shipstead
Barkley	Erickson	McAdoo	Smith
Black	Fletcher	McCarran	Steiwer
Bone	Frazier	McGill	Stephens
Borah	George	McKellar	Thomas, Okla.
Brown	Glass	McNary	Thomas, Utah
Bulkley	Goldsborough	Metcalf	Townsend
Bulow	Gore	Murphy	Trammell
Byrd	Hale	Neely	Tydings
Byrnes	Harrison	Norbeck	Vandenberg
Capper	Hastings	Norris	Van Nuys
Caraway	Hatfield	Nye	Wagner
Carey	Hayden	Overton	Walcott
Clark	Hebert	Patterson	Walsh
Connally	Johnson	Pittman	Wheeler
Coolidge	Kean	Pope	White
Copeland	Kendrick	Reed	

Mr. LEWIS. I wish to announce that the Senator from New Mexico [Mr. BRATTON] is necessarily detained from the Senate.

Mr. REED. I wish to announce that my colleague [Mr. DAVIS] is detained from the Senate by illness.

The VICE PRESIDENT. Ninety-one Senators have answered to their names. A quorum is present.

CLAIM OF JOHN L. SUMMERS, DISBURSING CLERK, ET AL.

The VICE PRESIDENT laid before the Senate a letter from the Secretary of the Treasury, transmitting draft of proposed legislation to provide relief for and to adjust certain accounts of John L. Summers, disbursing clerk, Treasury

AUTHENTICATED U.S. GOVERNMENT INFORMATION GPO

Department; Frank White and H. T. Tate, former Treasurers of the United States; Guy F. Allen, former Acting Treasurer of the United States; Robert G. Hilton, former Assistant Treasurer of the United States at Baltimore, Md.; the Office of the Comptroller of the Currency for the period from April 5, 1912, to November 21, 1928; and to cover the settlement of outstanding claims of certain individuals, representing unrecovered amounts due them, which, with the accompanying papers, was referred to the Committee on Claims.

FUNCTIONS OF THE DEPARTMENT OF COMMERCE (S.DOC. NO. 36)

The VICE PRESIDENT laid before the Senate a letter from the Secretary of Commerce, transmitting, in compliance with Senate Resolution 351, Seventy-second Congress, a report as to the functions and activities of the Department, showing the total number of employees, the salaries and wages paid and other expenditures, the source of available funds, and the statutory authority for the Department to conduct its various activities; also a list of all employees whose compensation is $5,000 per annum or more, which, with the accompanying statements, was ordered to lie on the table and to be printed.

PETITIONS AND MEMORIALS

Mr. ROBINSON of Arkansas presented a telegram from Peter Williams, director Indians of California, Inc., Klamath, Calif., relative to the qualifications of Hon. John Collier to serve as Commissioner of Indian Affairs, which was referred to the Committee on Indian Affairs.

Mr. COPELAND presented resolutions adopted by a mass meeting of the South Shore Small Home and Property Owners Defense League, of South Shore, Staten Island, N.Y., expressing appreciation of the President's efforts for the relief of home owners, but favoring a more complete program of relief, providing, among other things, for "no foreclosures or tax sales on small homes or pieces of property owned by workers or small business men", etc., which were referred to the Committee on Banking and Currency.

He also presented resolutions adopted by the Foreign Commerce Club of New York, Inc., and the board of directors of the American Manufacturers Export Association, both of New York City, N.Y., favoring the negotiation of treaties with foreign nations providing for mutual concessions in tariff duties for the promotion of reciprocal trade, which were referred to the Committee on Finance.

He also presented a resolution adopted by the Men's Club of Temple Beth Emeth, of Flatbush, Brooklyn, N.Y., condemning the persecution of, and alleged outrages perpetrated upon, the Jews in Germany, which was referred to the Committee on Foreign Relations.

He also presented a resolution adopted by members of the Young Folks League of the Yeshivah of Bensonhurst, Brooklyn, N.Y., favoring action by the Government, through diplomatic channels, looking to the protection of American citizens and the Jews in Germany, which was referred to the Committee on Foreign Relations.

He also presented a petition of sundry citizens, members of the Martin Street Parent-Teacher Association, of Wellsville, N.Y., praying for the passage of legislation to regulate the motion-picture industry, which was referred to the Committee on Interstate Commerce.

He also presented a resolution adopted by Finger Lakes Post, No. 961, Veterans of Foreign Wars of the United States, of Ithaca, N.Y., favoring compulsory military training of young men in the colleges and high schools, which was referred to the Committee on Military Affairs.

He also presented petitions of sundry citizens, being railroad employees, of Buffalo, N.Y., favoring the passage of the so-called "Hatfield-Keller bill", providing retirement pay to railroad employees, which were referred to the Committee on Interstate Commerce.

He also presented a telegram from the Hornell (N.Y.) Chamber of Commerce, embodying a resolution adopted by that organization endorsing Federal highway aid as a means of relieving unemployment, which was referred to the Committee on Post Offices and Post Roads.

He also presented a resolution of the Pampanga Civic Union, San Fernando, Pampanga, P.I., favoring the granting of complete and immediate independence to the Philippine Islands, which was ordered to lie on the table.

He also presented resolutions adopted by Typographical Union No. 6, of New York City, N.Y., favoring the passage of the so-called "Black-Connery 30-hour-week work bill", and the inclusion therein of the newspaper and periodical industry, which were ordered to lie on the table.

He also presented a resolution adopted by Bayridge Branch, United Irish Societies of New York, Inc., of Brooklyn, N.Y., favoring the passage of the so-called "Black 30-hour-week work bill", particularly as to its effect on working hours of railroad employees, which was ordered to lie on the table.

Mr. TYDINGS presented a petition of sundry citizens of Baltimore, Md., praying for the passage of legislation to guarantee bank deposits, which was referred to the Committee on Banking and Currency.

He also presented a petition of sundry citizens of Montgomery County, Md., praying for the continuation of appropriations for Federal vocational education, which was referred to the Committee on Appropriations.

Mr. SHIPSTEAD presented the following joint resolution of the Legislature of the State of Minnesota, which was referred to the Committee on Irrigation and Reclamation:

STATE OF MINNESOTA,
DEPARTMENT OF STATE.

I, Mike Holm, secretary of state of the State of Minnesota, do hereby certify that I have compared the annexed copy with record of the original instrument in my office of H.F. No. 1874, being Resolution No. 18 of the Laws of Minnesota, 1933, as filed in this office on the 15th day of April A.D. 1933, and that said copy is a true and correct transcript of said instrument and of the whole thereof.

In testimony whereof I have hereunto set my hand and affixed the great seal of the State, at the capitol, in St. Paul, this 17th day of April A.D. 1933.

[SEAL] MIKE HOLM,
Secretary of State.

Joint resolution memorializing Congress to enact legislation for the refinancing of outstanding drainage bond indebtedness

Whereas many of the counties of the State of Minnesota, in common with a large number of drainage districts and communities of other States of the Nation, have large issues of drainage improvement bonds due and outstanding which were issued for drainage works planned and constructed during times of normal prosperous conditions; and

Whereas under the distressing economic conditions which have for the past several years affected agriculture, the payment of such bonds and other obligations and interest thereon has become impossible in many sections affected thereby by reason of the inability of farmers to meet installments on their drainage and other taxes and assessments; and

Whereas legislation is pending before the Congress of the United States aiming to extend Federal aid for the refinancing of outstanding drainage bond indebtedness by extending the time in which drainage costs are to be paid and reducing the rate of interest: Therefore be it

Resolved by the House of Representatives of the State of Minnesota (the senate concurring), That we must earnestly urge the Congress of the United States to pass legislation providing relief to hard-pressed counties and drainage districts on account of drainage bond indebtedness at the earliest possible time; be it further

Resolved, That the secretary of state of Minnesota be instructed to send copies of this resolution to both Houses of Congress and to each Member in Congress from the State of Minnesota.

CHAS. MUNN,
Speaker of the House of Representatives.
K. K. SOLBERG,
President of the Senate.

Passed the house of representatives the 3d day of April 1933.

FRANK T. STARKEY,
Chief Clerk House of Representatives.

Passed the senate the 7th day of April 1933.

G. H. SPAETH,
Secretary of the Senate.

Approved April 15, 1933.

FLOYD B. OLSON,
Governor of the State of Minnesota.

Filed April 15, 1933.

MIKE HOLM,
Secretary of the State of Minnesota.

EMPLOYMENT IN REFORESTATION WORK

Mr. ASHURST presented a telegram from the town clerk of Miami, Ariz., embodying resolutions adopted by the mayor and common council of that town, which was referred to

the Committee on Education and Labor and ordered to be printed in the RECORD, as follows:

MIAMI, ARIZ., *April 18, 1933.*

Senator HENRY F. ASHURST,
Care of United States Senate, Washington, D.C.:

A resolution for promoting work for the residents of the Globe-Miami district under the reforestation bill

Whereas the Congress of the United States has passed a bill providing for a national forestry program which calls for the planting of new timber, the making of fire breaks, and the construction of trails and highways throughout the numerous forests of the Nation; and

Whereas the President of the United States has been pleased to sanction such a program with a view of assisting in the relief of the unemployment that exists at this time and with this new project being placed under the direction of the National Forest Service; and

Whereas there are at the present time over 2,500 people in destitute circumstances in the Miami district alone who are compelled to exist upon the meager aid furnished by the Reconstruction Finance Corporation; and

Whereas in the Globe-Miami district there is a market for from fifty to a hundred million feet of lumber each year and as most of this lumber must be transported hundreds of miles before reaching this community we feel that the reforestation of our forests close at hand will prove a most profitable and worth-while feature; and

Whereas the reforestation of the forests near this locality will be of inestimable benefit to the watersheds of both the Roosevelt and the Coolidge Dams by eliminating the cause of erosion, by providing a better range condition for the cattle, and by slowing up of the disastrous result of excessive run-off from the melting snows in the spring and heavy rains in the summer: Therefore be it

Resolved by the mayor and the Common Council of the Town of Miami, That while we welcome and appreciate the importing of men from the East for this reforestation work, we still feel that the families in this district who are in dire distress should be given an opportunity for employment in this great national program. We feel that the planting of new timber on the slopes of the Pinal Mountains and in the Crook National Forest is quite essential in preventing the damage done each year to the property owners in this locality caused by the rushing of the drainage water from the steep slopes of the mountain sides during the rainy season in the summer months.

It is possible to place in the Crook National Forest two or more camps of 1,000 men each, who can be rotated with other men and in this way relieve the stagnant business condition of the district and shed a ray of sunshine as well as financial aid to the great number of unfortunate families who are in the most urgent need of immediate financial assistance; be it further

Resolved, That the clerk of the town of Miami be instructed to send a copy of this resolution by telegraph to Senator CARL HAYDEN and Senator HENRY ASHURST at Washington, D.C., calling their attention to our unemployment situation and have them get behind this excellent movement and seek immediate aid and relief for the thousands of citizens who are now reduced to a state of excessive poverty by conditions over which they had no control.

Passed and adopted this 6th day of April A.D. 1933.

Approved.

ARTHUR TURNER, *Mayor.*

Attested:

OREN F. FRARY, *Town Clerk.*

STATE OF ARIZONA, *ss:*

I, Oren Frary, clerk of the town of Miami, hereby certify that the above is a true and correct copy of the original resolution which was passed and adopted by the town of Miami on the 6th day of April 1933 at a regular meeting held in the town hall in the town of Miami, Gila County, State of Arizona.

OREN F. FRARY, *Town Clerk.*

BILLS INTRODUCED

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

By Mr. McNARY:

A bill (S. 1422) for the relief of the estates of Edwin G. Scott, Clyde R. Dindinger, and Ralph R. Fraley; to the Committee on Claims.

A bill (S. 1423) authorizing the President of the United States to investigate Federal reclamation projects, and for other purposes; to the Committee on Irrigation and Reclamation.

By Mr. NEELY:

A bill (S. 1424) granting a pension to Charles E. Conner; to the Committee on Pensions.

By Mr. FLETCHER:

A bill (S. 1425) to amend the act entitled "An act to provide relief in the existing national emergency in banking, and for other purposes", approved March 9, 1933; to the Committee on Banking and Currency.

By Mr. REED:

A bill (S. 1426) for the relief of the estate of Benjamin Braznell; to the Committee on Claims.

A bill (S. 1427) for the relief of Harry A. C. Hall, alias Charles A. Brooks (with accompanying papers); to the Committee on Naval Affairs.

By Mr. JOHNSON:

A bill (S. 1428) for the relief of Andrew M. Dunlop;

A bill (S. 1429) for the relief of Anthony J. Lynn; and

A bill (S. 1430) for the relief of M. Thomas Petroy; to the Committee on Claims.

A bill (S. 1431) for the relief of Elmer E. C. Armstrong;

A bill (S. 1432) for the relief of Henry Bartels;

A bill (S. 1433) for the relief of Ernest B. Butte;

A bill (S. 1434) authorizing the Secretary of War to issue a certificate of honorable discharge to Carl J. Canada;

A bill (S. 1435) for the relief of Martin De Vries;

A bill (S. 1436) authorizing the appointment of Frederick Funston, Jr., as a second lieutenant, Army Air Corps;

A bill (S. 1437) for the relief of Juan Garcia;

A bill (S. 1438) for the relief of William Goodwin;

A bill (S. 1439) for the relief of Patrick J. Lynch;

A bill (S. 1440) for the relief of Ambrose V. McKenna;

A bill (S. 1441) for the relief of Walter W. Newcomer;

A bill (S. 1442) for the relief of John O'Gorman;

A bill (S. 1443) for the relief of James T. Reynolds; and

A bill (S. 1444) for the relief of Samuel A. Welsh; to the Committee on Military Affairs.

A bill (S. 1445) for the relief of John M. McNulty; to the Committee on Naval Affairs.

A bill (S. 1446) granting a pension to Carlos J. Anderson;

A bill (S. 1447) granting a pension to John N. Aull;

A bill (S. 1448) granting a pension to Don E. Bartell;

A bill (S. 1449) granting a pension to John William Boland;

A bill (S. 1450) granting a pension to Laura F. Collins;

A bill (S. 1451) granting a pension to Ollie A. De Selm;

A bill (S. 1452) granting a pension to Charles Foye;

A bill (S. 1453) granting a pension to Josephine Johnson;

A bill (S. 1454) granting a pension to Kitty A. Miller;

A bill (S. 1455) granting a pension to David Poula;

A bill (S. 1456) granting a pension to Jesse Thomas;

A bill (S. 1457) granting an increase of pension to Madison M. Burnett;

A bill (S. 1458) granting an increase of pension to Harry A. Smith; and

A bill (S. 1459) granting an increase of pension to Alzina M. Wilson; to the Committee on Pensions.

By Mr. SHIPSTEAD:

A bill (S. 1460) for the relief of Edgar Stivers; to the Committee on Claims.

By Mr. TYDINGS:

A bill (S. 1461) for the relief of the Fidelity Trust Co., of Baltimore, Md.; and

A bill (S. 1462) for the relief of the Maryland Trust Co., successors to Continental Trust Co., of Baltimore, Md.; to the Committee on Claims.

A bill (S. 1463) for the relief of George F. Conlee; to the Committee on Military Affairs.

A bill (S. 1464) granting a pension to John Doane Gardiner; and

A bill (S. 1465) granting a pension to Mary Amanda Jones; to the Committee on Pensions.

DEVELOPMENT OF CHRISTIAN FAMILY IDEALS

Mr. SHEPPARD (by request) submitted the following concurrent resolution (S.Con.Res. 3), which was referred to the Committee on the Judiciary:

Whereas the United States of America is confronted with the conditions that have disturbed all of the nations of the world; and

Whereas it is manifest that these national disturbances in the fields of social, industrial, political, and religious life have been produced through failure to maintain family solidarity and caused a loss of the balance between the spiritual and material elements of national life; and

Whereas the alarming increase in the disturbance of domestic relationships and the increase of juvenile delinquency, as shown

by court records, are signs of the ravages being worked to destroy the family, the unit that incorporates the basic elements of national integrity; and

Whereas statesmanship must concern itself for the perpetuation of the state by building a future citizenship in the strength of morality, and is warranted to draw upon every spiritual resource to achieve this end, for, as Washington said in his Farewell Address: "Both reason and experience forbid us to believe that the Nation's morality can continue after the exclusion of religious principles"; and

Whereas experience—the history of humanity—has demonstrated that a Republic like ours is strong and a blessing to its people and the world according to the moral character and intelligent religion of the people, for the strength and efficiency of any government by the people is in the character of the intelligence and morals of its citizens, inseparable from their religion, no non-Christian nation having ever retained its civil liberties; and

Whereas in this two hundredth anniversary of the birth of the first President of our United States of America it is the purpose of the National Government to honor his service to his country: Therefore be it

Resolved by the Senate (the House of Representatives concurring), That this Congress hereby appeals to the citizenship of the United States of America who are parents, pastors, and teachers, that they address themselves to serious and sustained effort to integrate within the family life of the Nation those ideals of spirituality represented by the simple virtues of the homely and humble life lived in the fear of God, that there be restored through the cooperation of those institutions growing out of the family—the home, the church, and the state—the balance between the spiritual and material, and that the remedy for these prevailing deteriorating conditions of society be effected through the inculcation in our growing youth of spirituality, morality, and good conscience toward the God of our Nation.

That it is the judgment of the Congress of the United States of America that only upon the lines herein suggested can there be the perpetuation of the home, the protection of the church, and the preservation of the state. In achieving these great ends it shall mean the crime checked, social conditions corrected, economic security maintained, industrial concord established, the future of the state assured, the conservation of our youth for future citizenship provided, and our Nation preserved for that destiny intended for it by the Almighty God.

AMENDMENT OF EMERGENCY RELIEF AND CONSTRUCTION ACT

Mr. SCHALL and Mr. SHEPPARD each submitted an amendment intended to be proposed by them, respectively, to the bill (S. 509) to amend the emergency relief and construction act of 1932, which were referred to the Committee on Banking and Currency and ordered to be printed.

RELIEF OF AGRICULTURE—AMENDMENT

Mr. BANKHEAD submitted an amendment intended to be proposed by him to the bill (H.R. 3835) to relieve the existing national economic emergency by increasing agricultural purchasing power, which was ordered to lie on the table and to be printed.

PERSONNEL OF THE CIVIL SERVICE

Mr. THOMAS of Utah. Mr. President, I present for the information of Members of Congress a statement of the Independent Legislative Bureau, Richard W. Hogue, director, entitled "Reorganization or Disorganization."

There being no objection, the statement was ordered to be printed in the RECORD, and it is as follows:

REORGANIZATION OR DISORGANIZATION

This statement is issued in no spirit of political partisanship or class selfishness. It is motivated by a deep concern for the public interest and the good of the Government in the crisis that confronts our country and its people.

The efficiency of the Federal Government and its capacity to protect and to serve the public depend largely upon the large body of trained men in its scientific and professional departments. Practically all of these scientific workers entered the service in normal or prosperous times, many at lower salaries than were available in business and industry. They were selected after competitive examination and have given years of devoted, competent, and often significant service. They have contributed to the stability of the Government, the protection of the public, the progress of knowledge, and the material welfare of the Nation.

For their security, the protection of their work, and the good of the Government, Congress created the safeguard of the Civil Service. A serious depletion of their numbers or a drastic curtailment of their important activities at this time would be a costly experiment, wholly aside from the question of justice and fair dealing. It would not only be a blow to civil service and a contribution to prevailing unemployment but would inject a new element of competition in the overcrowded field of private employment and add another factor to help prolong the process of deflation.

The mere tightening of the purse strings of the Federal Treasury is not necessarily an act of wisdom or sound economy. There is a point at which retrenchment becomes a menace to life, with governments no less than with persons. To threaten the security and weaken the morale of the civil service at a time of such widespread insecurity and distress is fraught with manifold harm. Has the Government no moral obligation to preserve the sanctity of an implied contract with its civil-service employees, who logically assumed permanency of position when they entered the service?

A balanced Budget becomes a meaningless exhibit when produced by cutting down essential activities and discouraging public service.

There is a point at which reorganization becomes disorganization. A "pennywise and pound-foolish" policy is possible with governments as with people and is infinitely more far-reaching in its evil effects.

REPORT OF THE ROYAL COMMISSION ON COAST EROSION, ETC.

Mr. THOMAS of Utah. Mr. President, owing to the fact that we are indulging in some reforestation at the present time, it may be of interest to those people who are directing it to read, or at least have access to, a report of the Royal Commission on Coast Erosion and Afforestation issued in 1909. I therefore ask unanimous consent to have this report inserted in the RECORD.

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

I. Royal warrant of March 1908 increasing the scope of the Royal Commission on Coast Erosion and the Reclamation of Tidal Lands.

II. Synopsis of principal conclusions of the Royal Commission on coast erosion and afforestation.

III. Summary of principal conclusions and recommendations of the Royal Commission on coast erosion and afforestation.

IV. Outline of the arrangement of the Royal Commission report on afforestation.

ROYAL WARRANT OF MARCH 1908 INCREASING THE SCOPE OF THE ROYAL COMMISSION ON COAST EROSION AND THE RECLAMATION OF TIDAL LANDS

1. By royal warrant of July 1906 the Royal Commission on Coast Erosion and the Reclamation of Tidal Lands was created.

2. By royal warrant of March 1908 the scope of this commission was increased by directing it to inquire and report:

"Whether in connection with reclaimed lands or otherwise, it is desirable to make an experiment in afforestation as a means of increasing employment during periods of depression in the labor market, and if so by what authority and under what conditions such experiment should be conducted."[1]

SYNOPSIS OF PRINCIPAL CONCLUSIONS OF THE ROYAL COMMISSION ON COAST EROSION AND AFFORESTATION[2]

The following is a synopsis of the principal conclusions reached in this report:

1. Afforestation is practicable and desirable.

2. Approximate available area in the United Kingdom without material encroachment upon agricultural land is 9,000,000 acres.

3. Best rotation to secure sustained timber yield requires 150,000 acres to be afforested annually.

4. Employment:

(a) Temporary.—Temporary employment is afforded annually to 18,000 men during the winter months. Further, an almost equal number would indirectly derive employment in the incidental and subsidiary occupations connected with forestry. This figure might be increased in any year to meet exceptional pressure of unemployment.

(b) Permanent.—Permanent employment is afforded to 1 man per 100 acres afforested, rising to 90,000 men when the whole area has been dealt with.

(c) Ultimate.—The employment connected with subsidiary industries—that is, conversion and manipulation, etc., of the timber crop—would afford occupation for a still larger population.

5. Any scheme of national afforestation should be on an economic basis.

6. Labor.—There are sufficient unemployed persons willing to submit to, and able to satisfy, ordinary labor tests, who could advantageously be employed without a period of special training.

7. Finance.—Afforestation represents a productive investment and should be financed by a loan. The annual sum required for the full scheme is £2,000,000. The interest on the loan should be defrayed out of taxation. The net deficit will be £90,000 in the first year and will rise progressively to £3,131,250 in the fortieth year, after which period the forest becomes more than self-supporting.

8. Profits.—After 80 years the net revenue from the forest, at present prices—which promise to be materially enhanced—should be 17½ millions. This represents 3¾ percent on the net cost cal-

[1] Second report (on afforestation) of the Royal Commission, appointed to inquire into and to report on certain questions affecting coast erosion, the reclamation of tidal lands, and afforestation in the United Kingdom. (Great Britain House of Commons, Sessional Papers 1909, vol. XIV, paper 341, p. v.)

[2] Second report (on afforestation) of the Royal Commission appointed to inquire into and to report on certain questions affecting coast erosion, the reclamation of tidal lands, and afforestation in the United Kingdom. Great Britain House of Commons, Sessional Papers, 1909, vol. XIV, paper 341, p. iii–x, 1–48.)

culated at accumulated compound interest of 3 percent. Looked at from another point of view, the state will then be in possession of property worth £562,000,000, or about £107,000,000 in excess of the total cost involved in its creation, calculated at 3 percent compound interest.

9. Administration and control.—The afforestation scheme to be entrusted to a special board of commissioners. In default of purchase by agreement, land to be acquired, if necessary, under compulsory powers.

10. Disturbance.—The acquisition of grazing areas for silviculture might necessitate a modification of the existing agricultural system on certain farms. There is no reason to suppose that the remaining lowland areas on such farms could not either be adapted to other forms of agriculture or could not, in many cases, be profitably utilized for small holdings. The acquisition of grazing areas, private or common, should present no difficulty which cannot be satisfied by arbitration and reasonable compensation.

11. Incidental.—Afforestation creates a new industry; it does not compete with private enterprise. The conversion of comparatively unprofitable lands into forests enhances the productiveness of the adjacent areas and should promote the development of the small-holdings movement. More than any other apparent remedy, afforestation will stem the tide of rural depopulation.[3]

PART VI OF THE ROYAL COMMISSION REPORT ON AFFORESTATION—SUMMARY OF PRINCIPAL CONCLUSIONS AND RECOMMENDATIONS

106. Coming now to the summary of the conclusions and recommendations to which the evidence points, your commissioners find that—

(1) The natural conditions of soil and climate in the United Kingdom are favorable to the production of high-class commercial timber such as is annually imported into the country in very great quantities.

(2) The afforestation of suitable lands in the United Kingdom, if undertaken on an adequate scale and in accordance with well-recognized scientific principles, should prove at present prices a sound and remunerative investment.

(3) In estimating the profits of silviculture, account, must, moreover, be taken of two facts: The increasing consumption of timber per head of population all over the world, in spite of the introduction of alternative materials; and, further, the exploitation, waste, and destruction by fire of the virgin forests, especially those yielding the more important building timbers. Already a noticeable shortage of timber supply has resulted, as is evidenced by steadily rising prices and depreciating qualities in all markets. It seems impossible to escape from the conclusion that this tendency will be continued and accentuated, and that a steady and a very considerable rise in prices may be looked for throughout the present century. The security which afforestation offers for investment is, therefore, likely to be an improving one, with a corresponding increase in profits, but to avoid all that is speculative this prospect has been disregarded in framing our estimates.

(4) The amount of land suitable for afforestation but not now under timber in the United Kingdom may roughly be put at a maximum of 9,000,000 acres. In determining this figure two considerations have been taken into account, besides elevation and physical suitability of soil. The first is that the value of the land is not in excess of a sum on which a fair return may be anticipated on the expenditure. This will naturally vary according to the productive capacity of the soil and the crop which it will carry. The second consideration is that the land could not be more profitably utilized in any other way.

(5) A forest of 9,000,000 acres, in which are represented the various series of age classes, may be expected to yield 9,000,000 loads annually in perpetuity. The importation of foreign timber from temperate climates into the United Kingdom in the year 1907 exceeded 8,500,000 loads, or approximately the annual supply which could be expected from the afforestation of the above-mentioned area.

(6) The withdrawal of 9,000,000 acres from its present uses would cause some gradual curtailment of food supplies and displacement of labor. Land suitable for afforestation is mostly devoted to the production of mutton. Calculations on the basis of the present consumption show that at most 60,000 tons, or 4.8 percent of the total home production of meat, or 2.6 percent of the present national consumption, would be ultimately displaced. As to labor, the employment furnished by the present uses, mostly sheep farming, to which the land in question is devoted, may be taken to average 1 man to 1,000 acres. This does not represent one tenth of the permanent employment afforded by the maintenance of a similar area of land under forest.

(7) Systematic silviculture aims at the production of a steady and continuous supply of marketable timber. To insure the maintenance of these supplies the area should be divided for planting by the average number of years which the crop needs to mature; for example, if the life of the crop be taken as 80 years, the area to be afforested every year would, out of a total area of 9,000,000 acres, be 112,500 acres. But a more rapid system of planting may be adopted without seriously complicating the rotation, and further, some adaptation to the temporary fluctuations of the labor market is feasible.

[3] Ibid., p. x. This second report of the Royal Commission on Coast Erosion and Afforestation may be more briefly cited as Command Paper 4460, vol. II, pt. I.

(8) The distribution of this 9,000,000 acres of suitable land is somewhat irregular. By far the largest areas are to be met with in the west and north of England, and throughout similar regions in Scotland. Ireland and Wales also contain a relatively large amount of this type of land. In the south and east of England, on the other hand, the areas in the aggregate are less extensive. Great diversity exists in the size of these areas, some counties offering large contiguous stretches, while in others the areas are characterized by their discontinuous nature.

(9) The administration of national forest lands should be entrusted to special commissioners.

(10) In dealing with these lands, subdivision into distinct districts, with an executive and administrative subcenter, commends itself from various points of view. Thus local employment would be afforded, local subsidiary industries would be encouraged, public recreation grounds would be provided, and, in connection with the establishment of such forests, small holdings would undoubtedly be multiplied.

(11) Silviculture in the United Kingdom is an enterprise which rarely appeals to the private landowner or capitalist. The prolonged time for which capital must be locked up before any return can be expected, the loss of rent and burden of rates over the whole period, and the absence of security for continuous care and management, act as deterrents. None of these objections applies to the state whose corporate life and resources lend themselves in an especial degree to an undertaking of this character. If the state plants, it will certainly reap, which the individual owner can rarely hope to do.

(12) If afforestation be promoted on a large scale, the provision of suitable lands is the first step. For this purpose a general survey should be made, and the extent and distribution of such lands ascertained. As a rule, it will be found expedient for the state to purchase from time to time such areas as are destined for planting, but some progress may conceivably be made along the lines of profit-sharing, in which case the owner would forego the purchase price. Experience proves that, although much of the land required may be expected to be purchasable by voluntary treaty, yet compulsory powers would be necessary to facilitate transactions where voluntary treaty had broken down. The principle laid down in the Small Holdings Act of 1907 for the acquisition of lands should govern these proceedings, as to arbitration, restrictions, and safeguards. Where private owners can satisfy the forest commissioners that they are able and willing to afforest, under their supervision and to their satisfaction, and give an undertaking to that effect, compulsory powers should not be enforced against such owners so long as that undertaking is fulfilled.

(13) The value of land falling within the definition of "suitability" may be taken, except in rare instances, to lie between £2 and £10 freehold value; but the average value of suitable lands, including the necessary buildings and other preliminary equipment, may be taken as £6 10s. per acre, and the average cost of afforestation also at £6 10s. per acre. If 150,000 acres be annually taken in hand, a sum of about £2,000,000 would be needed annually to finance the undertaking.

(14) Money expended in afforestation differs in kind from other calls on the national purse. It is a productive investment of capital. To provide this capital sum out of taxes would be an act of unprecedented generosity on the part of the present generation of taxpayers in favor of their posterity. No stronger justification for proceeding by loan than a reproductive outlay exists. The loan should be based on actuarial calculations showing initial cost, expenses of upkeep and management calculated at compound interest over the whole period, and the value of the property when fully matured. Such actuarial statements we have given, which show, for the full scheme, that, after allowing 3 percent compound interest on all the capital invested, the approximate equalized revenue would at the end of 80 years amount to £17,411,000 per annum, while the value of the property might be expected to be £562,075,900, or £106,993,000 in excess of the sum involved in its creation. A smaller scheme involving the afforestation of 6,000,000 acres (75,000 acres annually for 80 years) would show a profit of about £10,000,000 annually, or a capital value of £320,000,000, being £60,944,000 in excess of the cost of production.

(15) Coming to ways and means by which a loan of this character may best be provided, a point of great importance to be borne in mind is that although the period of rotation of a timber crop may be taken as 80 years, yet after 40 years, owing to the value of thinnings and the receipts of some short-period crops, the forest becomes practically self-supporting. Between the fortieth and eightieth years the sales of timber will be sufficient to meet the annual charges, including the upkeep and the extension of the forest. After the eightieth year a large annual revenue will be derived. These considerations point to a free loan from the treasury to the forest commissioners; the net deficit to be met would in the first year be £90,000 or £45,000, according to the extent of the operation, and would reach its maximum in the fortieth year, amounting in that year to £3,131,250 or £1,565,625. After this period the deficit would be insignificant, while in the eighty-first year the revenue derived would be £17,411,000 or £10,000,000, respectively, representing about 3¾ percent on the total accumulated costs of the undertaking.

(16) On the question of labor and its relations to forestry, the conclusions to which the evidence before them leads your commissioners are that the operations involved in afforestation vary in the degree of requisite skill from little or none in rough road-making and surface-draining to a considerable amount in the planting. Your commissioners wish to make it clear that they have in contemplation a scheme of national afforestation on eco-

nomic lines. They have no hesitation in asserting that there are in the United Kingdom at any time, and especially in winter, thousands of men out of work for longer or shorter periods who are quite ready and able to perform the less skilled work without previous training and with satisfactory results. There is a still larger class of unemployed, who are capable of being trained to perform this or the higher class of labor, and such men can, if desired, be recruited through labor colonies, distress committees, labor bureaus, or charitable agencies. There is, then, no need to accept inefficient labor with the object of affording occupation to the unemployed. The labor employed in the national forests should not fall below the ordinary standards, and should be remunerated at the ordinary rate of the district for similar labor. Subject to the requisite standard of efficiency being attained, preference should be given to those temporarily or permanently unemployed in the district, especially where evidence of such efficiency can be furnished by public or private agencies for the reclamation and training of the unemployed class.

(17) To establish afforestation on commercial lines does not, however, preclude its being used as an instrument of social regeneration. A broad view of economics cannot exclude from its cognizance the grave national charge which unemployment with all its concomitant results involves, to say nothing of the personal deterioration by which it is often accompanied. Silviculture is not unsuitable for building up the moral and physical fiber of even the most depressed of the unemployed classes, and its agency may well be invoked for this purpose, and advantage taken of its healthy and wholesome influences, provided that any additional expense incurred by the employment of less efficient labor be defrayed from a separate account.

(18) In estimating the amount of employment furnished by afforestation it is well to distinguish between the temporary labor involved in the creation of the forest and the permanent labor needed for its maintenance. Taking varying circumstances into consideration, it may be said that, on the average, it will take 12 men to afforest 100 acres in the planting season of 4 to 5 months, and that every 100 acres afforested will provide permanent employment for at least 1 man. If 150,000 acres be annually taken in hand, the labor of 18,000 men will be needed and permanent employment will in due course be afforded to 1,500 men, rising by an additional 1,500 every year until the end of the rotation. The number permanently employed would then approach 100,000. The labor absorbed by felling and converting timber, to say nothing of subsidiary industries which spring up around a timber supply, has been considered too remote to warrant detailed estimation, but there is undoubtedly a large field of employment in this connection. It is important to remember that, on the basis of £1,000,000 being annually spent on the operations of afforestation, apart from the cost of the land, employment would be afforded, directly and indirectly, to many more than 18,000 men. Indeed, the number employed may be roughly taken to be represented by about double that figure. For the incidental occupations, such as building, the making of implements, the provision of materials, etc., all involve the employment of additional labor.

(19) A special advantage of forestry in relation to labor is that it offers a new source of employment. The labor connected with timber and timber products imported into the country is performed abroad, and thousands of families are maintained on the produce of the labor associated with the timber industry. Another advantage bound up with the extensions of silviculture is that the market for its produce is so great that it is inconceivable that it could seriously interfere with the output from private woodlands, and no difficulty of competition between the State and individuals need be apprehended.

(20) The acquisition of grazing areas, private or common, for silviculture might necessitate a modification of the existing agricultural system on certain farms. It is unreasonable to suppose that the remaining lowland areas on such farms could not, in many cases, either be adapted to other forms of agriculture or be profitably utilized for small holdings. Further, the conversion of comparatively unprofitable lands into forests enhances the productiveness of the adjacent areas, and should materially assist the small-holdings movement. It has also the advantage of furnishing winter employment to small holders.

107. In view of the foregoing conclusions, your commissioners recommend that—

1. Parliamentary powers be obtained to: (a) Appoint commissioners charged with the duty of carrying out a national scheme of afforestation; (b) vest in them power to survey and determine what land falls under a statutory definition of "suitability", and to acquire such land as from time to time may be required for afforestation or purposes incidental thereto; (c) equip the commissioners with compulsory powers for the acquisition of such land on the precedent of the Small Holdings Act, 1907, so far as applicable, subject to the reservation of certain rights to private owners; (d) authorize the treasury to grant the commissioners an annual free loan for the necessary period.

2. (a) The commissioners should prepare a general scheme of afforestation for the whole of the contemplated area extending over the entire period of rotation; (b) an actuarial statement should be supplied by them to the treasury indicating when and in what manner the loan and interest would be repaid; (c) the afforestable area should be divided into convenient subdistricts; (d) work should be commenced in each, or as many as convenient, of the districts in such a way as to provide that the earlier operations, which may be regarded as experimental, should be capable of determination or of forming part of the complete forest scheme for each district.[4]

OUTLINE OF THE ARRANGEMENT OF THE ROYAL COMMISSION REPORT ON AFFORESTATION

Part I examines the present position of British woodlands, shows that natural conditions in the United Kingdom are favorable to the growth of trees at a profit, and points out that, owing to the present scarcity of timber and the probable rise in prices, the prospects of afforestation are very encouraging.

Part II examines the question of unemployed labor in its relation to afforestation and considers the limits within which such labor can be profitably utilized. This part also deals with the question of the amount of labor which, permanently or temporarily, can be absorbed by afforestation, and incidentally refers to the effect which afforestation will probably have upon agriculture, rural depopulation, and the food suplies of the nation.

Part III deals with the question of the nature and the extent of the land suitable for afforestation in the United Kingdom.

Part IV refers to the proposal for a national scheme of afforestation, and deals with the question of the authority which should administer such a scheme and the measures which seem to be requisite for the acquisition of the necessary land.

Part V deals with the finance of the subject and includes financial estimates showing the detailed working of two schemes of planting, based on certain assumptions, and also the results, from a financial standpoint, which may be anticipated in connection with these schemes.

Part VI is a summary of the principal conclusions and recommendations.[5]

PALESTINE FOR THE JEWS

Mr. WHEELER. Mr. President, I ask unanimous consent to have printed in the RECORD a speech by Hon. Walter M. Chandler, of New York, in the House of Representatives, Friday, June 30, 1922, on the subject of "Palestine for the Jews."

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

EXTENSION OF REMARKS OF HON. WALTER M. CHANDLER, OF NEW YORK, IN THE HOUSE OF REPRESENTATIVES, JUNE 30, 1922

"The wild dove hath her nest, the fox his cave,
Mankind their country—Israel but the grave!"
—*Lord Byron.*

Mr. Speaker, as an introduction to my speech I desire to read House Joint Resolution 322:

"Joint resolution favoring the establishment in Palestine of a national home for the Jewish people

"Whereas the Jewish people have for many centuries believed in and yearned for the rebuilding of their ancient homeland; and

"Whereas, owing to the outcome of the World War and their part therein, the Jewish people are to be enabled to re-create and reorganize a national home in the land of their fathers, which will give to the House of Israel its long-denied opportunity to reestablish a fruitful Jewish life and culture in the ancient Jewish land: Therefore be it

"*Resolved, etc.*, That the United States of America favors the establishment in Palestine of a national home for the Jewish people, it being clearly understood that nothing shall be done which may prejudice the civil and religious rights of Christian and all other non-Jewish communities in Palestine, and that the holy places and religious buildings and sites in Palestine shall be adequately protected."

Mr. Speaker, I am in favor of the pending resolution and shall vote for its passage because it embodies the highest and noblest ideals of liberty, humanity, and civilization.

It is a similar resolution to the one already unanimously passed by the United States Senate, and congressional action in this matter is entirely consonant with the spirit of our free institutions and with our oft-repeated official proclamations of national sympathy with the hopes and aspirations of struggling races for freedom and independence.

This resolution does not propose to involve our country in any foreign entanglements or to bind us by any financial obligations whatsoever. It simply expresses our sympathy, as the representatives of a free people, with the national desires and aspirations for a homeland in Palestine of a scattered and persecuted race, whose contributions to the intellectual and spiritual wealth of the world have been unequaled by those of any other people.

Our sense of justice and our sentiment of freedom alike should dictate the immediate passage of this resolution. National gratitude also demands its passage, for our country, like every other civilized nation on the globe, is under a heavy debt of gratitude

[4] Second report (on afforestation) of the Royal Commission appointed to inquire into and to report on certain questions affecting coast erosion, the reclamation of tidal lands, and afforestation in the United Kingdom. (Great Britain House of Commons, sessional papers, 1909, vol. XIV, paper 341, pp. 41–44.)

[5] Second report (on afforestation) of the Royal Commission appointed to inquire into and to report on certain questions affecting coast erosion, the reclamation of tidal lands, and afforestation in the United Kingdom. (Great Britain House of Commons, sessional papers, 1909, vol. XIV, paper 341, pp. 1–2.)

to the Jews for their marvelous contributions to the uplift of mankind and to the civilization of the earth.

Aside from the lofty inspiration and the rich heritage of Jewish genius in history, of which we are the direct beneficiaries along with all the other races of mankind, Jewish sacred influences confront and surround each and all of us at all times and in all places—at the prayer meeting, in the Sunday school, in the church, in the cathedral, and in the synagogue.

When the Chaplain offers prayer at each day's opening of this House, he invokes upon its Members the benedictions of a Hebrew God and the intercessions of a Hebrew Savior.

The three great events of man's existence are said to be birth, marriage, and death. The spiritual food, solace, and inspiration of each of these great events are furnished by the Jew. The hallowing influence of Hebrew scriptures is invoked when infancy is christened into religious life. Jewish music, Mendelssohn's Wedding March, furnishes the entrancing accompaniment when bride and bridegroom meet at the marriage altar to pledge eternal love and to be bound to the duties of wedded life by the obligations of Hebrew sacred law. And, lastly, at every open grave in Christendom is read the funeral sermon of St. Paul, a Jew. Thus the Jew goes with us from the cradle to the grave as our spiritual guide and savior. I respectfully submit that every sentiment of decent gratitude should prompt us to help him when we can, and never to persecute him.

The gratitude that should prompt the adoption of this resolution is born not merely of the priceless legacy of spiritual hope, consolation, and assurance that he has bequeathed to us through the centuries. It springs, too, from the contributions of the Jew to the liberties of the human race in every land and time, for the Jew has been the child of revolution and the friend of freedom in every age.

The Mosaic commonwealth was theocratic in origin and character but democratic in function and effect. All the prophets of Israel were fearless champions of human rights. Isaiah and Jeremiah were the first great revolutionists of earth.

Not only have the Jews been friends of freedom in every age; the friends of freedom of every age—Montesquieu and Mirabeau, Cromwell and Macaulay, Cavour and Mazzini, and Washington—have been friends of the Jews. What more fitting tribute, then, could be paid, what finer, what more appropriate expression of appreciation could be offered by the Representatives of a free Nation than to vote this resolution of sympathy and encouragement to the people of a race that has always, in Senate and in Parliament and upon the battlefield, been found foremost among the champions of human freedom and of human rights?

The project of founding a new Jewish commonwealth in Palestine is familiar to all readers of the daily press. The so-called "Zionist movement" has many ardent advocates and able supporters among Jews and Gentiles throughout the earth. The overwhelming majority of the Jews of America, from all that I can learn, are enthusiastically in favor of it.

The great world struggle has given a powerful impetus to the movement. Besides, the national idea and the religious self-consciousness of the Hebrew race in all ages have been seeds awaiting ripening for such an event. It has been truly said that—

"Since the destruction of the second temple by Titus, since the dispersion of the Jews throughout the world, this ancient people has not ceased to long fervently for a return to the lost land of their fathers nor to entertain for it a determined hope."

"If I forget thee, O Jerusalem,
Let my right hand forget her cunning.
Let my tongue cleave to the roof of my mouth,
If I remember thee not;
If I prefer not Jerusalem
Above my chief joy." (Psalm, cxxxvii:5–6.)

This plaintive and pathetic song was chanted in Babylonian exile more than 2,000 years ago, and it finds today a sacred echo in the heart yearnings of every Zionist in the world.

To high patriotic purposes and to deep-seated race feelings and impulses is added the religious belief of millions of orthodox Jews that the time has come for the fulfillment of divine prophecy and promise in the gathering of the children of Israel again into the ancient homeland. The foundation of this prophecy is found in Deuteronomy, xxx:

"If any of thine be driven out unto the outmost parts of heaven, from thence will the Lord thy God gather thee, and from thence will He fetch thee: And the Lord thy God will bring thee into the land which thy fathers possessed, and thou shalt possess it; and He will do thee good, and multiply thee above thy fathers."

And in Amos, ix:14–15:

"And I will bring again the captivity of my people of Israel, and they shall build the waste cities, and inhabit them; and they shall plant vineyards, and drink the wine thereof; they shall also make gardens and eat the fruit of them.

"And I will plant them upon their land, and they shall no more be pulled up out of their land which I have given them, saith the Lord, thy God."

Patriotic pride, race impulse, and religious faith, fed and sustained by ancient prophecy and promise, are undoubtedly the great mainsprings of motive of the Zionist movement. Subsidiary and contributory to all these things is without question the cumulative effect of Jewish persecution of every age from the ancient Egyptians to the anti-Semites and Jew baiters of modern times.

Mr. Speaker, in all the history of prejudice the persecution of the Jew has no parallel. Whether born of human wickedness or divine vengeance, Jewish persecution is the strangest of all historical phenomena. When and where it originated and what have been its intensifying and perpetuating causes are still subjects of grave doubt and speculative debate. In any case it represents one of the blackest phases of human life, for it invariably involves all the elements of ignorance and bigotry, of cowardice and cruelty. I never hear any man engaging in wholesale slander of the Jewish race that I do not say to myself: You are either an ignoramus, a bigot, a coward, or all combined in one. Moreover, you are an ingrate of the meanest type, for you are the direct heir and beneficiary of all that the Jew has ever said or done to elevate and save mankind.

To describe the horrors and cruelties of Jewish persecution would be to narrate the history of the Jewish race during 2,000 years. Time does not permit and the occasion does not demand such a narrative. I will only quote in this connection Rabbi Ben Ezra's Song of Death, which gives pathetic utterance to the agonizing cry of his people of all ages to the God of their fathers for protection and relief:

"By the torture prolonged from age to age,
By the infamy, Israel's heritage,
By the ghetto's plague, by the garb's disgrace,
By the badge of shame, by the felon's place,
By the branding tool, the bloody whip,
And the summons to Christian fellowship."

In this poetic plaint are crowded the cruel memories of a thousand years of Jewish persecution.

But only yesterday in private conversation with a Member of this House, himself a Jew, while discussing this resolution, I was told that the days of Jewish persecution had practically passed forever, that the age of freedom and enlightenment was at hand, and that Jewish persecution was no longer a valid motive, a rational excuse, for the Zionist movement. I was astonished to hear him say this.

It is a truth well known to all intelligent men that racial prejudice against the Jew has not completely vanished from the minds and hearts of gentiles; that political freedom in an enlightened age has not brought with it full religious tolerance and social recognition; that the Jew enjoys the freedom of the letter, but is still under the ban of the spirit. It is not necessary to go to Russia or Rumania to prove this contention.

In 1896 Adolph von Sonnenthal, the greatest of modern actors, who covered the Austrian stage with glory, celebrated the fortieth anniversary of his entrance into threatrical life. The city council of Vienna refused to extend him the freedom of the city because he was a Jew.

In 1906 Madame Bernhardt, the most marvelous living woman, while acting in Canada, was insulted by having spoiled eggs thrown upon the stage amidst shouts of "Down with the Jewess!" This outrage called forth a letter of apology, which appeared in public print, from Sir Wilfred Laurier, Prime Minister of the Dominion.

In the summer of 1907 the sister of Senator Isidor Rayner, of Maryland, was refused admission to an Atlantic City hotel because she was a Jewess. Be it remembered that these several acts of prejudice and persecution did not happen in the middle ages or under the government of the Romanoffs. Two of them occurred at the beginning of the twentieth century, beneath the flags of two of the freest and most civilized nations of the globe. What have Americans to say of the exclusion of a virtuous, refined, intelligent sister of a great American Senator from an American hotel for no other reason than that she was a Jewess; that is, that she was of the same race with the Savior of mankind?

What have you to say, my colleagues, of the Leonard Kaplan incident at Annapolis, an occurrence of the last 4 weeks? Does this tend to show that the age of enlightenment and freedom is here and that Jewish persecution has ceased? The severe reprimand of the Government administered to the Christian midshipman for "cruelty"—to use a word of Mr. Roosevelt—to his Jewish classmate and comrade was a fitting and necessary rebuke, but it did not and will not cure Jewish persecution, for the very week following the Kaplan incident we learned from the public press that Harvard University, one of our greatest and oldest schools of learning, was to limit Jews among its students.

These considerations, among others, lead me to lend enthusiastic support to the passage of the pending resolution, for I want the Congress of the United States, of which I have the honor to be a Member, to express its sympathy with Jewish hopes and aspirations, register its approval of Jewish national rights, and condemn, indirectly at least, the spirit of bigotry and race prejudice, which gives the lie to the bill of rights in our Constitution and brands with hypocrisy our national professions of equality of citizenship in America.

If ungenerous and un-American impulses and fierce and unbridled passions must kindle the fires and stir the hatreds of religious bigotry among the people at large, let us here at least, in the sacred confines of this Hall, preserve a dignified and patriotic equanimity, a statesmanlike composure, and a courageous attitude as the legislative guardians of civil and religious freedom on this continent. Let us, above all things, not forget that this Republic was not designed by the Revolutionary fathers to be Protestant, Catholic, or Jewish, but was intended as a perpetual asylum of religious freedom, where Protestant, Catholic, and Jew might each worship Almighty God after the dictates of his own conscience and in his own way.

To say the least of it, if we are to continue to persecute the Jew we should as a matter of simple justice be willing to aid him in the establishment of a homeland beyond the seas where he can be free from persecution. There is all the greater truth in this, since we are practically shutting out from our shores by unreasonable rigid and discriminating immigration laws struggling and persecuted Jews, the majority of whom would be a benefit rather than a hurt to our citizenship and our country.

In a speech delivered by me in this House on April 20, 1921, in opposition to the immigration bill of that year, I used the following language with reference to Jewish immigrants to our shores:

"I note numerous exceptions to the general provisions of this bill, and I unhesitatingly declare to you, my colleagues, that if I had the framing of the measure for final passage I would make a distinct exception of the Jews. I would do it upon no ground of sentiment or whim. I would base the exception upon righteousness and eternal justice. In the framing of the bill and the enactment of the law I would boldly declare to America and to the world that the Jews are a distinct race, with a distinct history, presenting a distinct and irresistible appeal to the judgment and conscience and mercy of mankind. I would declare them to be a scattered race, with no willing and capable protectors against persecution and oppression. I would call the attention of the people of the earth to what they already know, that the Jews gave to Christianity its Savior, to mankind its noblest religion, and to civilization much that is grandest and most beautiful in literature, music, and art. These considerations I would make the basis of an exception to the general provisions of this bill—that all Jews, from whatever parts of the earth they came, who satisfied the requirements of the general immigration laws regarding tests of health, sanity, morals, and good citizenship, should be admitted. An exception of this kind would be in keeping with our national traditions of refuge and asylum for the downtrodden of the earth, and would be a fitting acknowledgment of our indebtedness to the authors and finishers of our religious faith, whose code of morals lies deep at the foundation of all our secular laws, State and national.

I wish to repeat and emphasize in this speech what I said in that one. I shall probably go a step farther when the next immigration bill is offered in this House. I shall probably propose an amendment embodying the principles and providing for the privileges for the Jews that I merely suggested in my speech of April 20, 1921. If I accomplish nothing more, I shall at least test the sentiments and feelings of the Members of this body in relation to the Jews and Jewish immigration.

Is there doubt and has there been discussion, you may ask, concerning these sentiments and feelings? Yes, indeed; more than once in the deliberations of committees and in the debates on the floor of this House concerning Jews and Jewish immigration. The question arose at the hearings before the Foreign Affairs Committee on this resolution before us in a colloquy between Mr. Smith of Michigan, a member of the committee, and Mr. Abraham Goldberg, of New York City, representing the Zionists of America. Mr. Goldberg seemed not willing to declare that our present immigration laws were aimed at the Jews, but merely contented himself with asserting that the Jews were of all races most severely affected by them. Mr. Goldberg, being a Jew, doubtless felt a certain delicacy and timidity in expressing his real sentiments on the subject. Being a Gentile Congressman, I have no such feelings of delicacy and timidity, and I declare to you that it is my sincere conviction that a desire to exclude both Jews and Catholics from our shores has been one of the most potent influences in modern American immigration legislation.

I declared this conviction in a speech against the Burnett immigration bill that I delivered on the floor of this House on March 25, 1916. In that speech I elaborated arguments in favor of my contention and was supported in the debate by ex-Representative William S. Bennet, of New York, and by my distinguished colleague, Mr. Gallivan, of Massachusetts, who still is an honored Member of this body.

At the hearings of January 20, 1916, before the Immigration Committee, Miss Grace Abbott, of Chicago, a Protestant lady of fine character and extensive experience in immigrant affairs, who is at the present time the efficient head of the Women's Bureau, gave expression to the following deeply significant sentiment:

"I think many people oppose the recent immigration because it is Catholic and Jewish instead of Protestant, as the earlier was. I am neither Catholic nor Jewish."

This declaration was born of the experience and observations of many years of devoted service spent in helping immigrants, and Miss Abbott knew full well whereof she spoke.

But why devote so much time, you may ask, to discussing the immigration question in its relation to the pending resolution providing for a homeland in Palestine for the Jews? The reason is that if we are to shut the Jew from our gates by stringent immigration laws, we should at least be willing to do what we can to aid him in the establishment of a country of his own where he can live in peace and happiness. The plainest dictates of humanity suggest and demand it.

A year and a half ago I traveled extensively in Germany, Austria, Czechoslovakia, Poland, Russia, and Lithuania. I studied the Jewish question at first hand, especially in Poland. I was amazed and shocked at what I saw and heard. Persecution, poverty, misery, disease, death, and destruction confront the Jew everywhere in southeastern Europe. He is at times hunted like a wild beast, for no other reason than that he is a Jew, and there is no boundary of territory that he can cross for refuge and asylum. He is brutally and cruelly chased by one band of pursuers only to be even more brutally and cruelly thrown back by another. And supposedly free America, with continental expanse of territory, with boundless natural resources, with the Mississippi Valley that, if intensively cultivated, would feed the human race for a thousand years, with the Goddess of Liberty in the harbor of New York brandishing forever a torch of freedom and of welcome to the oppressed and distressed of all mankind, and with professions of faith in Jesus, the Jew of Nazareth, forever upon our lips, this supposedly free America is willing to adopt and execute rigidly a 3-percent immigration law that practically shuts these wretched beings from the hospitality of our shores and the shelter of our flag.

There are about 15,000,000 Jews in the world. There are about 3,000,000 Jews in the United States. There are about 12,000,000 Jews scattered over the earth outside the United States. Considering the appalling state of affairs in Europe and the prospects of an indefinite continuance, I declare to you in all sincerity, my colleagues, that if I had the power I would bind my country by definite obligations to aid substantially the Jews in establishing a permanent home in Palestine. I would then admit the remaining millions of Jews who could not find room in their ancient homelands to our shores to become citizens of this free Republic, to enjoy the benefits of its citizenship, and to render obedience to its institutions and its laws.

I would, of course, demand satisfactory answers to the following questions from each and all and every one of them: "Are you sound and healthy in body, mind, and morals? Do you believe in our Constitution and our laws, and will you loyally obey them? Do you love our flag, and will you patriotically follow and uphold and defend it at all times?"

Upon receiving satisfactory answers to these questions, I would say: "Children of Abraham, descendants of the descendants of the creators of monotheism, who consented that their country should be conquered, their nationality destroyed, and their race dispersed throughout the world in order that this best and noblest gift of God to man, monotheism, might not be sacrificed to pagan and barbarian superstition but might instead be transmitted as a heavenly heritage to all future generations of men, I welcome you to America and bid you be at home."

Mr. Speaker, the obstacles to this new plan of erecting an independent Jewish state in Palestine are many, but not insuperable. The British Government and her allies, under the Balfour declaration, propose to guarantee to the Jews the return of the territory of their ancient Jewish fatherland after the country has been sufficiently colonized by the Jews under the British mandate.

Palestine is about the size of the State of Vermont and has a present population of about 700,000 souls. There are about 15,000,000 Jews in the world. It is reasonably contended that one half of all the Jews of the earth could live in Palestine under methods of modern intensive farming and under the electrification and irrigation of the country through plans of harnessing the water power of the Jordan and Yarmuk Rivers, plans that have been submitted by the great Jewish engineer, Pincus Ruttenberg.

Palestine is about the size of Belgium, which has a population of 7,600,000. If the plans of Ruttenberg for the redemption of the barren and waste places of the country around Jerusalem, through electrification and irrigation, by utilizing the waters of the Jordan and the Yarmuk are successful, and there is no earthly reason to believe that these plans will not succeed, then Palestine should be able to sustain a population as large as that of Belgium.

A successful culmination of the Zionist movement would probably realize, in time, an emigration of 7,000,000 Jews from other lands, as the innate love of the average Jew for the cradleland of his race, coupled with glorious and thrilling memories of long ago, and the hard lot of misery and grinding toil now endured by many of them in different parts of the world, would be a powerful incentive to join the new settlements in the East. The tide of emigration is already beginning to flow strongly that way, and many flourishing Jewish colonies already exist in Palestine.

There is no reason from a physical viewpoint why Jerusalem and the surrounding country should not become the seat of a prosperous and successful state. The popular notion that Palestine is altogether a barren country, not capable of yielding rich harvests, is a mistaken one. Its appearance is barren only during the dry season, when the grasses which cover the greater part of it are dried up and the herdsmen retire with their flocks of sheep and goats to the loftier mountains. The alluvial lowland to the south of Mount Carmel is as fruitful as ever, and it only needs an honest and vigorous administration, under the plans for electrification and irrigation devised by Ruttenberg, to create in Palestine a land of intensive farming as well as a center of industrial activity. There is no reason why Palestine should not be to the eastern Mediterranean what Belgium is to the North Sea, a perfect beehive of industrial creation and commercial output.

An enlightened political management would not only rekindle the olden Jewish love of agriculture but would revive the ancient glories of Phœnician commerce through the ports of Acre and Jaffa, which would give an outlet to all the world.

All the spiritual and intellectual elements would certainly be present in the building and perpetuating of a new Jewish commonwealth in Palestine. The Bible and the Talmud would again be their religious guides and the charters of their freedom. A Maccabean soldiery would again defend their national frontiers. A Jerusalem parliament would be heard to echo the splendid eloquence of new Disraelis, Gambettas, and Castelars. Some new

Josephus would record the growth of the expanding State, and the melodies of Mendelssohn and Meyerbeer would cheer and sanctify the domestic circles of happy Jewish homes. Such a commonwealth or republic is a consummation most devoutly to be wished if Jewish genius and civilization are to be lost, as is now feared, in some great maelstrom of war and in the readjustment of the boundaries of States and the realignment of races.

Why should not the nations of the world join in such an enterprise if the Jews desire it? Every kindgom of the earth has tried its hand at exterminating them and has failed. Why should they not now change the program for a while and extend to the patriarch of the tribes, the old man of the centuries, a kindly and helping hand? England will turn Palestine over to the Jewish people at the proper time. Can we not afford—does not a solemn obligation rest upon us as a free and Christian people, to lend sympathy and support to the millions of struggling Jews who desire to link their lives and fortunes to the land of their fathers and with the early memories of their race?

But why should we give legislative sanction, even in the mild form of a mere resolution of sympathy and encouragement, to this movement, you may ask? What business is it of ours where they go and where they stay? Who are the Jews, anyway, that they should be claiming the special attention of the congresses and parliaments of the nations of the earth?

My reply is that the Jews are the most extraordinary people that ever inhabited this earth and that they have been throughout all history the chief benefactors of mankind. Their achievements and benefactions have in every age been out of all proportion to their numbers. They have never numbered and do not now number more than 1 percent of the human race, and yet it has taken most of the time of the other 99 percent to keep up with them and find out what they were doing. No other race has contained and exhibited such dynamic energy in small compass. Somebody has said that 1 Jew in town creates a sensation, 2 a riot, and 3 a revolution. A man like this not only deserves but always commands special attention and respect not only from individuals and groups but from congresses and parliaments as well. This fundamental notion of race superiority and race achievement is one of the great reasons for national legislative approval of this resolution.

Another cogent political reason is that an overwhelming majority of the approximately 3,000,000 Jews of America desire the passage of this resolution, and we should certainly pay some respect to the desires of so important and respectable an element of our population and citizenship, especially when the action contemplated can do no possible harm to the rest of the country.

But how do you know, you may ask, that the majority of American Jews desire the passage of this resolution? I candidly admit that there has been no direct referendum on the subject among the Jews themselves, but I learn from the hearings before the Foreign Affairs Committee that there was an American Jewish Congress held not very long ago at Philadelphia, at which delegates representing some 360,000 Jewish voters adopted a resolution by a practically unanimous vote indorsing the Zionist movement. In this connection, I wish to quote a paragraph from the hearings containing the statement of Mr. Louis Lipsky, of New York City, who represented the Zionist Organization of America:

"The Jews of the United States held a congress 2 years ago, after the Balfour declaration of the British Government, prior to the peace conference. There were over 360,000 Jews who voted for the delegates who attended that congress. In addition to the 360,000 voters, who elected 300 delegates, there were also 100 delegates elected by the following organizations, practically every national Jewish organization: The American Jewish Committee, of which Mr. Lewis Marshall is chairman; the Independent Order B'nai B'rith, of which Mr. Adolph Kraus, of Chicago, is chairman; the Order B'rith Abraham; the Association of Orthodox Rabbis; the Independent Western Star Order; the Independent Workmen's Circle of America; the Progressive Order of the West; the United Synagogues of America, composed of the conservative congregations in the United States; the United Hebrew Trades, which represent an association of the Jewish trades-unions in New York City; the faculty of the Rabbinical College of America, of which Dr. Revell is the president; the Union of Orthodox Jewish Congregations, which is an organization of orthodox Jewish congregations somewhat similar to the United Synagogues, except that it is more orthodox. The United Synagogues of America represents those organizations that are affiliated with the Jewish Theological Seminary in New York, of which the late Dr. Schechter was president. * * *"

At this congress the following resolutions were adopted practically unanimously. There was one gentleman who voted against them:

"The American Jewish Congress, speaking for the Jews of America, expresses its appreciation of the historic and epoch-making declaration addressed by His Majesty's Government on November 2, 1917, to the Jewish people, through the Zionist organization, in which it approved of the establishment in Palestine of a national home for the Jewish people and pledged to use its best endeavors to facilitate the achievement of this object * * * it being clearly understood that nothing shall be done which may prejudice the civil and religious rights of non-Jewish communities in Palestine or the rights and political status enjoyed by Jews in any other country."

It seems to me that the endorsement of the Zionist movement by an American Jewish congress, composed of delegates who were elected by the votes of 360,000 American Jews, is very good proof that the Jews of America very generally favor the pending resolution.

My personal observations and investigations also convince me that a large majority of them favor it. I represent a district in New York City in which at least 40 percent of the people are Jews. They represent in a high degree the wealth, culture, and refinement of American Jewry. I have talked with hundreds of them and have received letters from hundreds of others, and an overwhelming majority have expressed themselves in favor of the resolution before us. On this point, the opinion of Dr. Stephen S. Wise is the valuable testimony of an expert witness. The following telegram, signed by him, was sent during the hearings on the measure:

"Regret impossible to appear before Foreign Affairs Committee meeting Friday morning. Earnestly hope for favorable action by committee on your resolution, which represents the sympathies of the American people and meets the hopes of vast majority of American Jews.

"STEPHEN WISE."

I am proud to say that this brilliant Hebrew clergyman is one of my constituents and that I number him among my best personal friends.

I am well aware that no considerable number of American Jews will ever go to Palestine to live, even if a permanent homeland of their race is established there. But if they desire a refuge and an asylum in the land of their fathers for their suffering coreligionists scattered throughout the earth, it is our duty to pay some attention to their wishes in the matter of the passage of this resolution.

In the beginning of my speech I stated that our sense of justice and our sentiment of freedom should prompt us to pass this measure. I added that national gratitude should also prompt us, and with the subject of the gratitude of all the nations of the earth toward the Jews for immeasurable benefits received, I want now to deal briefly. I want to state why I believe that the nations of the earth are under a heavy debt of gratitude to the Jews and why they should all cooperate in the reestablishment and maintenance of a homeland in Palestine for the Jews, and in doing this I must of necessity attempt to define the just cause of gratitude and to describe the real attributes of true greatness.

I respectfully submit, my colleagues, that the true benefactor of mankind, the really great character of history, is not necessarily the king on the throne who, perchance, may have nothing upon a brainless head but a tinsel crown, nor the vulgar conqueror on the field of battle whose only title to greatness may be in the fact that millions of human beings have been slain through him. The true benefactor of mankind, the greatest character of all the race, is he who has contributed most substantially to the sum of human happiness and human good in the proclamations of the revelations of true religion, in the writing of good books, in the discovery of remedies for disease, in the founding of universities, libraries, hospitals, and asylums, and in those acts of personal service that alleviate human suffering, promote human joy, and elevate and ennoble human life.

The French people evidently acted according to the test of true greatness that I have just described when, a few years ago, at a popular election to determine which were the three greatest names in French history, they voted Pasteur first, Victor Hugo second, and Napoleon third. There are no gorgeous tombs, fit for dead deities, for Pasteur and Hugo, such as holds the ashes of the Corsican in the Invalides. No Arc de Triomphe is erected to their memory and to perpetuate their deeds. But the sane French judgment declared the physician and the writer greater than the warrior, proclaimed the discoverer of the remedy for rabies and the author of Les Miserables greater than the victor of Austerlitz and Marengo.

Under this test of greatness the Jew is the greatest man of all this world, and to him should go out the deep gratitude and unstinted praise of all the nations, for he has been the unchallenged leader of the race in religion and a close and dangerous competitor in every form of intellectual triumph.

In the British House of Lords recently Lord Balfour, author of the Balfour declaration, delivered a powerful and impassioned speech in favor of a homeland for the Jews in Palestine. In a cable from London to the New York Herald of Thursday, June 22, I find the following paragraph:

"An interesting feature of Lord Balfour's speech was a long and eloquent passage dealing with the tribulations of the Jewish race, their valuable contributions to art, philosophy, science, and religion, and the suggestion that Christendom should take the chance of giving the Jews a home where, in peace and quietness, they might develop their culture and traditions."

The sentiments attributed to Lord Balfour by this cabled dispatch are, in my humble judgment, the most just and powerful plea that can be made for Jewish rights to a distinct nationality and a separate home, namely, that his sufferings and tribulations, which I have sought to describe in the course of my remarks, as well as his spiritual and intellectual triumphs, which I shall now attempt briefly to describe, entitle him to special consideration and kindly treatment at the hands of the Christian nations of the world.

JEWISH ACHIEVEMENTS AS A GROUND FOR GRATITUDE

As religionist

In the religious triumphs of history the Jew has been incomparable and supreme. In the beginning God appointed him His vicegerent on earth, clothed him with authority plenipotentiary in Divine affairs, and revealed to him His oracles, with instruc-

tions to teach them to his own and to transmit them to all future generations of men.

The three great monotheistic faiths of mankind are Judaism, Christianity, and Mahometanism. The second is derived from the first and the third from the other two. All had their origin in Judean hills; all their birth and inspiration in the Old Testament of the Jews.

The mountains and valleys of Palestine are dotted with Jewish synagogues, Christian temples, and Mohammedan mosques, in which native worshippers and pilgrims from all the world kneel at the shrine of the Hebrew prophets.

"On the top of Mount Sinai", says Disraeli in Tancred, "are two ruins, a Christian church and a Mahomet mosque. In this the sublimest scene of Arabian glory, Israel and Ishmael alike raised their altars to the great God of Abraham."

Montesquieu likens the Jewish religion to the trunk of an old tree that has produced two branches which cover the earth. These branches are Christianity and Mahometanism. Again he compares Judaism to a mother who has given birth to two daughters that have turned upon and covered the aged parent with wounds:

"La religion juive est un vieux tronc qui a produit deux branches qui ont couvert toute la terre, je veux dire le Mahométisme et le Christianisme; ou plutôt c'est une mère qui a engendre deux filles qui l'ont accablée de mille plaies" (Lettres Persanes, LX).

It must be remembered that Mahometans do not reject Moses and the prophets; nor do they reject Jesus. Mohammed believed and taught that Jesus was inspired but not divine. Mahometans class Jesus among the great prophets of Jehovah, but deny that he was a man-God by immaculate conception. Mohammedanism rests upon the double basis of Judaism and Christianity. Paganism enters as an element but cannot be considered as a basic principle.

"We follow", says the Koran, "the religion of Abraham the orthodox, who was no idolator. We believe in God and that which hath been sent down unto Abraham and Ismael and Isaac and Jacob and the tribes, and that which was delivered unto Moses and Jesus, and that which was delivered unto the prophets from the Lord. We make no distinction between any of them, and to God we are resigned" (Koran, chap. 2).

Mohammedans contend that the Pentateuch was the moral and legal code of men in the early ages of the world; that when Jesus Christ appeared the law of Moses was superseded by the Gospels; and that with the coming of Mohammed the Koran displaced them all and became the final guide of men. This book they declare to be the completion of the law, since no more divine revelations are to follow, and they worship Mohammed as the last and very greatest of the prophets that have revealed the will of God to man.

It may be added that there are, in round numbers, about 565,000,000 Christians, 240,000,000 Mahometans, and 15,000,000 Jews on the earth, a total of 820,000,000. These numbers are in the aggregate only about one half the population of the globe, but they represent the progress, enlightenment, and civilization of mankind.

The Jew is thus the founder and master builder of the great spiritual temple of the human race, whose corner stone is Hebrew prophecy and whose gorgeous domes are the claims of Jesus and Mahomet to the messiahship of God.

All mankind should be profoundly grateful to the Jew for the precious gift of monotheism, which is the basis of all these faiths, and every nation should help restore him to his ancient homeland, in which monotheism flourished in pristine glory and in mortal combat with polytheism and paganism in the early ages of the world. No praise too high can be said, no help too great can be rendered to the children of the race that emerged from the plains of Mesopotamia in the twilight of history and from their Lilliputian kingdom in Palestine sent forth a religion not only for the earth but for the universe.

All praise, all honor, and all gratitude to the Jew for the gift of the Bible, whose Mosaic code is the most potent juridical as well as spiritual agency in the universe and whose Gospels are the most perfect flowers of all the religious literature of the world. The Bible is everywhere to be found—in the jungles of Africa, while crossing burning deserts, and amidst Arctic snows. No ship ever puts to sea without this sacred treasure. It is found in the cave of the hermit, in the hut of the peasant, in the palace of the king, and in the Vatican of the Pope. Its divine precepts furnish elements of morals and manliness in formative life to jubilant youth; cast a radiant charm about the strength of lusty manhood; and when life's pilgrimage is ended, offer to the dying patriarch who clasps it to his bosom a sublime solace as he crosses the Great Divide and passes into the twilight's purple gloom. This noble book has furnished not only the most enduring laws and the sublimest religious truths but inspiration as well to the grandest intellectual triumphs. It is literally woven into the literature of the world, and few books of modern times are worth reading that do not reflect the sentiments of its sacred pages. All honor to the Jew who wrote it and gave it to us!

All praise, all honor, and all gratitude to the Jew for the gift of the Talmud, defined by Emanuel Deutsch as "a Corpus Juris, an encyclopedia of law—civil and penal, ecclesiastical and international, human and divine."

To appreciate the message and mission of the Talmud its contents must be viewed and contemplated in the light of both literature and history. As a literary production it is a masterpiece—strange, weird, and unique—but a masterpiece nevertheless. It is a sort of spiritual and intellectual cosmos in which the brain growth and soul burst of a great race found expression during a thousand years. As an encyclopedia of faith and scholarship it reveals the noblest thoughts and highest aspirations of a divinely commissioned race. Whatever the master spirits of Judaism in Palestine and Babylon esteemed worthy of thought and devotion was explained in its pages. It thus became a great twin messenger, with the Bible, of Hebrew civilization to all the races of mankind and to all the centuries yet to come. To Hebrews it is still the great storehouse of information touching the legal, political, and religious traditions of their fathers in many lands and ages. To the Biblical critic of any faith it is an invaluable help to Bible exegesis, and to all in the world who care for the sacred and the solemn it is a priceless, literary treasure.

As a historical factor the Talmud has only remotely affected the great currents of Gentile history. But to Judaism it has been the cementing bond in every time of persecution and threatened dissolution. It was carried from Babylon to Egypt, northern Africa, Spain, Italy, France, Germany, and Poland. And when threatened with national and race destruction the children of Abraham in every land bowed themselves above its sacred pages and caught therefrom inspiration to renewed life and higher effort.

The Hebrews of every age have held the Talmud in extravagant reverence as the greatest sacred heirloom of their race. Their supreme affection for it has placed it above even the Bible. It is an adage with them that "the Bible is salt; the Mischna, pepper; the Gemara, balmy spice"; and Rabbi Solomon ben Joseph sings:

"The Kabbala and Talmud hoar
Than all the phophets prize I more;
For water is all Bible lore,
But Mischna is pure wine."

"More than any other human agency has the Talmud been instrumental in creating that strangest of all political phenomena—a nation without a country, a race without a fatherland."

As physician

Jewish achievements in medicine have been unsurpassed by those of any other race. To carry healing, both spiritual and physical, to the nations seems to have been the peculiar mission of the Jew. To preserve the body on earth and to save the soul in heaven have been the chief objects of his care and solicitude in history.

In human history as a whole the Jew has had less formidable competition in medicine than in any other science. He was the physician par excellence of the Middle Ages. A superstitious reverence attached to his healing powers, so much so that when he became a convert to Christianity he was rejected as physician, because it was supposed that the change of religion had robbed him of the secrets of his art. Francis I, King of France, refused to employ a converted Jew as court physician for this reason. Thus closely were Jewish genius and the science of medicine identified in olden days.

The practice of medicine was an integral part of the religion of the ancient Hebrews, who regarded health and disease as emanating from the same divine source. "I kill, and I make alive; I wound, and I heal", suggested to the Hebrew mind the origin of every malady to which the flesh was heir. Medicine, then, was a sacred science; its practice was a divine calling, and the physician was the messenger of God. The strength of this sentiment may be imagined when it is remembered that the Bible identifies the blood with the soul (Genesis ix, 4). The Talmudists regard blood as the essential principle of life (Hul. 125a).

Time forbids an enumeration of all the kings, emperors, and Popes who had Jewish physicians. Just a few may be mentioned by way of illustration. Maimonides was court physician to the Turkish Sultan Saladin, and, according to the Arabian historian Al-Kitti, he declined a similar position offered him by Richard Coeur-de-Lion, afterward Richard I, King of England. Queen Elizabeth of England had as court physician Rodrigo Lopez, a Spanish Jew. Farragut, a Jew, was court physician to Charlemagne. Jacob Ben Jechiel Loans, a Jew, was physician to Emperor Frederick III, of Germany, and received from that monarch the order of knighthood. Elias Montalto, a Jew, was physician to Maria di Medici. King Charles IV, of Denmark, had as court physician Benjamin Musafia, a Jew.

A complete list of Popes and potentates who employed physicians of Jewish blood would be too long to read. And let it be understood that Popes and princes had no monopoly upon the medical skill of the Jews. Their beneficent deeds enrich the pages of all history. Maestre Bernal, ship physician, and Marco, ship surgeon to Columbus, were both Jews. Suffice it to say that in all ages and in all lands, from the hut of the peasant to the palace of the king and the Vatican of the Pope, they have crept silently in to minister to the sufferings of humanity.

And it may be confidently asserted that the modern Jew as physician is not unworthy of his people's illustrious past. While the Jews cannot justly claim monopoly in the triumphs of modern medicine, every race having its great ornaments and lights, yet it cannot be truthfully denied that they are most worthy among the disciples of Æsculapius, Hippocrates, and Galen.

It may be safely asserted that before the Great War the medical department of the University of Vienna was without a superior in the world. Students from every continent flocked in great numbers to this celebrated school of medicine. Suffice it to say, as a final tribute to the skill of the Jew as physician, that 12 of the professorships of this famous university were held by Jews in 1900.

As philanthropist

Closely identified with religion and medicine, in the matter of healing, mercy, and love, is philanthropy.

One of the most stupendous acts of charity recorded in history was that of a Jew, Baron Hirsch, who donated $100,000,000 to philanthropic purposes. This donation was made to help his suffering and struggling coreligionists throughout the world.

A single sentence is a key to the character of this magnanimous, generous-hearted man. A friend sent him a message of sympathy when he lost his only child in 1887. Hirsch sent this reply:

"My son I have lost, but not my heir; humanity is my heir."

Another distinguished Jewish philanthropist was Sir Moses Montefiore, who devoted his life and fortune to works of charity. The celebration of his one hundredth birthday was almost a national event in England. Telegrams of congratulation were received from Queen Victoria, Albert Edward, Prince of Wales, as well as from thousands of beneficiaries of his philanthropy throughout the world.

The charity of no other race is so well organized, so systematic, and so universal as that of the Jew. Like everything else Jewish, it has a scriptural basis. "Thou shalt open thine hand wide unto thy brethren and shall surely lend him sufficient for his need in that which he wanteth" is the foundation of all Jewish philanthropy.

More than 200 years ago the burghers of New Amsterdam gave permission to a few Jews to settle among them "upon condition that they should always support their own poor." In the light of history, ancient and modern, this condition was superfluous and even amusing. In no age of the world have Jews permitted Gentiles to take care of their poor. They have frequently contributed generously to Gentile charity funds, but have generally refused to receive anything in return. Sir Moses Montefiore, at the age of 76, went to the office of the London Times after midnight to solicit relief for the Christians of Syria. He himself subscribed £200 and personally collected over £20,000. These things he did for the persecutors of his race.

In 1860 Adolphe Crémieux, the celebrated Jewish advocate of France, addressed an impassioned appeal to his coreligionists throughout Europe in behalf of the starving Christians of Lebanon. Was this appeal not genuinely of the spirit of Christ? Did not Crémieux ask his fellow Jews to "turn the other cheek" and to "do good for evil"?

Even the munificent gifts of Baron Hirsch were not confined to members of his own race. He is recorded as saying:

"In relieving human suffering I never ask whether the cry of necessity comes from a being who belongs to my faith or not; but what is more natural than that I should find my highest purpose in bringing to the followers of Judaism who have been oppressed for a thousand years, who are starving in misery, the possibilities of a physical and moral regeneration?"

As philosopher

Philo, Maimonides, Spinoza, and Mendelssohn were great Jewish philosophers.

Philo was an Alexandrian philosopher and a contemporary of Jesus. His learning was prodigious. He was deeply versed in grammar, rhetoric, music, Greek literature, and all the physical and mathematical sciences of his age as well as in everything that was Hebrew in religion and philosophy.

Maimonides, "the Jewish Aristotle", possessed the finest intellect of all the learned men of the Middle Ages. His great endeavor seems to have been to reconcile divine with human wisdom as manifested by Aristotle.

Spinoza was a Dutch-Jewish philosopher, a pupil oif the Amsterdam Talmud Torah, a man whose utter intellectual fearlessness embroiled him constantly, in matters of religion and philosophy, with his coreligionists, causing the Rabbis to try him and to place him first under the lesser and later under the great ban, and finally to drive him to a renunciation of Judaism.

In Professor Herz's studio at Berlin is a bust of Mendelssohn, upon which is the following inscription:

"Moses Mendelssohn,
The greatest sage since Socrates,
His own Nation's glory
Any Nation's ornament,
The confidant
Of Lessing and of Truth,
He died
As he lived
Serene and wise."

As historian

Josephus, Neander, Graetz, Palgrave, and Geiger were Jewish historians, who rank among the greatest in the world.

Josephus, after nearly 2,000 years, is the great authority on Jewish history of ancient times. His only rival for the first place among Jewish historians is Graetz, author of "The History of the Jews from the Earliest Times to the Present Day."

As astronomer and mathematician

The greatest astronomer and mathematician of Jewish blood was Sir William Herschel. Other great mathematicians were Sylvester, sometime professor of mathematics at Johns Hopkins University; Jacobi, German-Jewish mathematician, after whom certain intricate functions are termed "Jacobians"; Filipowski, compiler of antilogarithmetic tables; Gomperts, Terquem, and Kronecker.

The fame of Dr. Albert Einstein is not yet permanently established, but there are many competent judges in the world who believe that he will yet take his place in the history of the science of astronomy and mathematics at the side of Sir Isaac Newton.

As orator and statesman

Disraeli, Gambetta, Castelar, Lasker, Benjamin, and Rathenau were Jews.

Benjamin Disraeli in England, Leon Gambetta in France, Emilio Castelar in Spain, Judah P. Benjamin in America, Edward Lasker and Walter Rathenau in Germany were types of all that is superb in oratory and profound in statesmanship.

As British Prime Minister, Disraeli launched the world policy of Queen Victoria and made her Empress of India. The high-water mark of Jewish success in statesmanship was reached by this eminent Hebrew, and when he died the English laid him to rest in Westminster Abbey among their kings, statesmen, and heroes.

Gambetta, of Genoese-Jewish extraction, was the greatest orator of the French, with the possible exception of Mirabeau. He was a fierce and uncompromising republican, and his grandest oratorical efforts were panegyrics of republicanism.

Emilio Castelar, a Jew, was the most famous Spanish orator of any time. Instances are related where strangers traveled from distant points in Europe to Madrid to hear him speak an hour before the Cortes. When he addressed this body in later life the chamber was always crowded and cards of admission commanded an exorbitant price. His genius was so pronounced that all parties delighted to honor him. His oration on the candidacy of Amadeus for the kingship of Spain is the most gorgeous production in oratorical literature. It is a perfect "field of cloth of gold" in metaphor and imagery. He was chief magistrate and virtual dictator of the short-lived Spanish Republic from September 1874 to January 1875.

Judah P. Benjamin was the ablest and most illustrious Jew ever born in the Western Hemisphere. He was very great as orator, statesman, and lawyer. His political career was comprised in public service within the offices of United States Senator from Louisiana and of Attorney General, Secretary of War, and Secretary of State, successively, of the Confederate States of America.

Edward Lasker, once leader of the Liberal Party in the German Reichstag, was the only man whom Bismarck ever feared in parliamentary debate. He was an enthusiastic patriot and altogether above reproach. In general outline he closely resembled the late Carl Schurz in independent notions and lofty ideals.

Walter Rathenau, late Minister of Foreign Affairs of the German Republic, was a Jew. He was the mainstay of the cabinet of Chancellor Wirth, and the Germans were beginning to look to him as the Moses who would lead them out of the wilderness of economic disaster and death. His assassination a few days ago was an irreparable loss to Germany and a distinct menace to the peace of the world.

As financier

Jewish genius in finance has become proverbial and need not be discussed by me. Suffice it to say that the Rothschilds determined for decades in Europe questions of peace and war. Other great Jewish financiers in Europe are the Bleichröders, of Germany. The Schiffs, Seligmans, and Guggenheims are well-known American financiers.

As labor leader and political economist

The world has been so long accustomed to regard the Jew as a financier and to identify his genius and achievements with finance that the statement may seem strange to some that several among the world's greatest labor leaders have been Jews. The average Jew cannot decry either capital or labor without denouncing the occupations and assaulting the reputations of many of the most illustrious of his race. If capital has numbered among its greatest exponents the Rothschilds, Bleichröders, and Seligmans, labor has counted among its grandest champions other great Jewish names: Karl Marx, Ferdinand Lassalle, Victor Adler, and Samuel Gompers.

As actor

Jewish genius has been incomparable on the stage. The greatest actress dead, with the possible exception of the English actress, Mrs. Siddons, was Rachel, a Jewess. The greatest living actress, indeed, the greatest actress that ever lived, is Sarah Bernhardt, a Jewess. The greatest of modern actors was Adolph von Sonnenthal, a Jew, the dramatic idol of the Austrian capital during 3 decades. A few years ago the New York Herald printed an article on Sonnenthal. The following are two paragraphs from that article:

"In 1881 was celebrated the twenty-fifth anniversary of his connection with the Hofburg Theater. The people went wild with enthusiasm. After the performance they took the horses from the carriage and drew him through the streets. Among the distinguished persons who witnessed the performance was the Emperor of Austria, the Crown Prince, and all the members of the court.

"There is in Austria an imperial mandate forbidding audiences to call actors before the curtain, but on this night it was revoked by special permission and Sonnenthal was called out no less than 42 times."

As musician

Mendelssohn, Meyerbeer, Offenbach, Goldmark, Joachim, Rubinstein, and Strauss were Jews. It may be contended, and with truth, that no one of these musicians possessed the musical genius of Wagner, Mozart, or Beethoven; but, nevertheless, each one of

them was a master of his art and the history of music would not be complete without mention of the names of all of them.

As poet

The author of the Book of Job and the author of the Book of Psalms were doubtless Hebrews and were the greatest of all Hebrew poets, for the poetry of Job and the poetry of the Psalms are incomparably the noblest of all poetry of all the literature of the earth.

The greatest of modern Jewish poets were Jehuda Halevi, of Spain, author of the Elegy of Zion, and Heinrich Heine, of Germany, author of The Lorelei.

As painter and sculptor

Hebrew civilization has not been very greatly enriched by triumphs in art. In neither painting nor sculpture have the sons of Israel succeeded grandly. The annals of Hebrew great names reveal no Phidias, no Appelles, no Canova, no Raphael. In every sphere of intellectual and spiritual activity, excepting art, Hebrew genius has scored magnificent victories. And failure in art was not remotely due to barrenness of intellect or soul but to the heavenly decree, "Thou shalt not make unto thee any graven image, or any likeness of anything that is in the heaven above, or that is in the earth beneath, or that is in the water under the earth." During all the ages this divine command from Sinai paralyzed and destroyed Hebrew creative genius in works of art. More than once Josephus calls attention to the effect of this ordinance upon the national life of Israel.

It is worthy of note that the express command of the law forbidding images was not more potent in the destruction of plastic art than was the spirit of the Hebrew faith in its warfare upon idolatry among pagan nations. Greco-Roman polytheism offered the highest incentive to the development of art. To bring the gods in ever more beautiful forms before the eye of the worshipper was the great aim of the Greek and Roman artists.

But diametrically opposed to the pagan conception of the forms and number of the heavenly powers was Hebrew monotheism that believed in but one God, who was purely spiritual, and therefore invisible, intangible, and unapproachable. Judaism delighted to lift its deity above the sensual, material, and corporeal things of earth and to represent Him as a pure and sinless spirit. This conception of the Creator of the Universe and this monotheistic faith, which was in direct antagonism to polytheistic belief, were equally destructive of plastic art with the express command of the law itself. And this is more certainly true since the highest inspiration to triumphs in art in every age have been the actions of the gods and goddesses themselves. The masterpiece of ancient art was the Olympian Zeus of Phidias. The masterpiece of modern art is the Sistine Madonna of Raphael. And when the Hebrews forbade the representation of their Deity in plastic form they shut out the highest inspiration to artistic triumph.

Again, the Hebrew sense of chastity was offended by the immorality of pagan myths as embodied in plastic form. The artistic beauty of certain Greek and Roman statues the Hebrews believed was better fitted to deprave than to purify the moral sentiments of mankind. They saw that the Rape of Ganymede, sanctifying pederasty in marble, was a masterpiece of Grecian sculpture. They felt that the painting of Aphrodite, ensnared and caught in a net with Ares, was not too well calculated to instill pure and virtuous thoughts in the minds of tender youth and of modest maidens who looked upon and contemplated it. They knew that every street corner of Athens and of Rome was marked by an image of some god whose mythic history was filled with inebriety and lust. The Hebrew conscience shrank with terror and with loathing from the serpent of immorality coiled beneath the marble flowers of Grecian and Roman art.

The blighting effect of the Sinaic condemnation of art fell upon architecture as well as upon painting and sculpture. The houses of ancient Palestine were wholly destitute of artistic beauty, and the palaces and the temples at Jerusalem were constructed after non-Jewish models. Roman architecture was employed in the building of the magnificent palace of Herod; and the Phœnician workmen from Tyre and Sidon were imported to build the temples of Solomon and Zerubbabel (Ezra iii, 7).

Let it be said, however, that modern Judaism seems to have broken completely away from the ancient prohibition concerning images, and modern Jewish art is beginning to develop into forms of great beauty and power. Solomon J. Solomon ranks among the greatest of English artists, and Joseph Israels has glorified the art of painting in his celebrated delineations of Dutch fisher life. It is probable that the greatest of all Jewish sculptors was Moses J. Ezekiel, born in Richmond, Va., whose works have been exhibited in the chief art centers of Europe, and whose statue of "Religious Liberty" adorns Fairmount Park, Philadelphia.

Mr. Speaker, I could spend the entire day telling the Members of this House about the triumphs of Jewish genius in religion, literature, science, and art if time permitted and occasion demanded, but I must stop. I could proceed to describe further his triumphs in fiction and romance and in the minor subjects of botany and biology and philology and chess playing, in all of which Jewish genius has shone brilliantly. But I repeat that I must stop.

The only justification for this lengthy discussion of Jewish achievement is that it serves to emphasize my hearty approval of the contention of Lord Balfour in his recent speech before the House of Lords that Jewish achievements, constituting civilization's most valuable contribution, entitle the Jew to the sympathy, encouragement, and aid of the civilized nations of the earth in the matter of helping to reestablish for him a homeland in Palestine.

Reduced to the plainest terms of colloquial formula, the Jew may say this to the Christian peoples of the earth: I have given you the sublimest religious truths in the laws of Moses, in the prophecies of Isaiah and Jeremiah, in the songs of David, and in the teachings of Jesus of Nazareth. In these laws and prophecies and songs and teachings I have pointed you the way to a blessed and an eternal life. I have given you much that is grand and beautiful in literature, music, and art. With my hands tied behind me and my heart burdened to the breaking point with a bitter load of hatred and persecution, I have yet managed from the cave of the prophets and from the manger of the Christ, from the filth of the Judengasse, and from the darkness of the hovels of the ghetto to contribute more than my share to the great cause of liberty, humanity, and civilization among men. Now, will you not help me? Will you not aid me in the reestablishment of a homeland among the sacred places of my race, where I can escape persecution, where I can once again feel the pride and thrill of free and national life, and where the banner of the Jew can once again float proudly from the battlements of Jerusalem? If mankind is not ungrateful and if civilization is not craven, the answer to this question will be "yes" in language, and assistance in action translated immediately into deeds.

OBJECTIONS TO THE ZIONIST MOVEMENT

But are there no objections to the Zionist movement and consequently to the pending resolution, you may ask? Certainly. There was never a noble enterprise or a great movement in the history of the world that somebody did not rise and object. Christianity itself was not founded without the crucifixion of its Author and without centuries of persecution of His followers. The American Republic was not established until after the English people had offered bitter and bloody objection during 7 years and 8 months of arduous toil and bitter struggle. Tariff bills are never passed in this House without serious objection from the Democrats, and rivers and harbors bills providing for the irrigation of southern rivers would go through if objections were not made by Republicans. We should not be bothered by objections, but we should hear them freely and answer them candidly and fairly.

It must be candidly admitted that a considerable number of very intelligent and patriotic Jews in America are opposed to the Zionist movement and object to the passage of this resolution. I believe that they are in a decided minority, but the very structure and genius of our Government, as well as its finest traditions, demand fair play for minorities and protection for their rights whenever possible, and we must hear and consider their plea in this case patiently and fully. To this end, I have read the hearings on this resolution before the Foreign Affairs Committee carefully three times from beginning to end. I resolved in the beginning of the consideration of this subject not to act hastily, and I have arrived at my conclusions after prolonged and diligent research.

The time at my disposal does not permit me to consider other than the leading objections that have been made to the project of founding for the Jews a homeland in Palestine and to the passage of this resolution, and, in order to proceed clearly and systematically, I shall classify at once these objections.

The opponents of political Zionism, which is proposed by this resolution, as opposed to orthodox Zionism and to economic Zionism, about which there seems to be little dispute among the Jews, make the following main contentions:

1. That political Zionism—that is, a political state in Palestine for the Jewish people—is not desirable or permissible, since Judaism is a religion and not a nationality, and since the Jews are nationals of the country in which they are born and in which they live and should be faithful to the land of their birth and of their domicile.

2. That political Zionism cannot be realized in Palestine; that is, that a political state cannot be established with the Jews in dominant control without violating the rights, under principles of self-determination, of the non-Jewish races of the country.

I believe that this is a full and fair statement of the two great objections of the opponents of the pending resolution, and I shall discuss them as briefly as possible in the order in which I have stated them.

Regarding the first objection, I wish to quote Rabbi Philipson, of Cincinnati, one of the opponents of this resolution. At the hearings before the Foreign Affairs Committee, Dr. Philipson said:

"There are those of us who feel that Jewish nationalism does not express the true interpretation of Judaism. We feel that Judaism is a religion and that we are nationals of the country in which we are born and in which we live."

In support of his views and contention, Dr. Philipson read the following resolution of the Union of American Hebrew Congregations at one of their meetings at Richmond, Va.:

"We are unalterably opposed to political Zionism. The Jews are not a nation but a religious community. Zion was a precious possession of the past, the early home of our faith, where our prophets uttered their world-subduing thoughts, and our psalmists sang their world-enchanting hymns. As such it is a holy memory, but it is not our hope of the future. America is our Zion. Here, in the home of religious liberty, we have aided in founding this new Zion, the fruition of the beginning laid in the old. The mission of Judaism is spiritual, not political. Its aim is not to establish a state but to spread the truths of religion and humanity throughout the world."

This is all splendid and inspiring sentiment, and when the Jews at Richmond proclaimed America their Zion we are compelled to applaud their patriotism. But I know that they will pardon me

if I remind them, even with a slight touch of sarcasm and cynicism, that the Zionist movement is not intended primarily for American Jews, who are happy in the possession of American citizenship and in comparative freedom from religious persecution. It is intended primarily for the wretched Jews of Russia, Rumania, and Poland who are practically shut out from this American Zion by foolishly rigid immigration laws.

Dr. Philipson and the Jews at Richmond, in drawing too nice distinctions concerning the meaning and mission of Judaism, seem to have forgotten that there are certainly differences at times between a Jew as a man and a Jew as a religionist. A certain analyst is said to have discovered that Jews and Judaism are identical, and that if Jewish blood be examined under a microscope floating particles of the Bible and the Talmud may be found. This is all well as a matter of humor, but I insist that there is such a thing as a Jew who is a man, a human being, a citizen, and a patriot, and this aside from any consideration of religion or religious belief. I further contend that this man is entitled to the rights of a freeman, which include benefits of independent nationality and citizenship, and protection, furthermore, against bodily oppression as well as religious persecution.

Believing this, I shall support this resolution and vote for it, because it tends to establish and preserve these rights to the oppressed and persecuted Jews of southeastern Europe who will never be able to reach our shores because of the inhospitable barriers that have been erected against them.

Mr. Speaker, I respectfully submit that the attitude of Dr. Philipson and of the Jews of the Union of American Hebrew Congregations at Richmond and their attempt to define Jewish citizenship and nationality are nothing new in history. They are merely a revival of recurring inquiries and discussions of the subject that have taken place in every age of the world since the beginning of the Jewish dispersion. I ask the indulgence of the House while I discuss briefly this phase of the subject.

After the fall of Jerusalem (A.D. 70) the Jew was a wanderer for many centuries upon the earth without a home and country. Until the closing years of the eighteenth century the Christian governments of Europe denied him the simplest rights of a free man and a citizen. While not a slave in the sense of chattel property, the Jews were frequently regarded as an attachment of the soil, like the ancient Spartan helots, and were transferred from one sovereign to another. At other times, having been despoiled of their goods, they were expelled wholesale and without ceremony from the countries which they had come to regard as their homes.

The explusion of the Jews from Spain in 1492 by an edict of Ferdinand and Isabella was a most painful epoch in the history of the Hebrew race. The real reason of this wholesale persecution was the fact that the Jews refused to become Christians when commanded to do so by a fanatically pious Spanish sovereign. According to Isidore Loeb, 165,000 Jews left their homes and wandered away into exile in foreign lands. History relates many pathetic incidents that marked the beginning of this dispersion. Great numbers of the Jewish community of Segovia passed the last 3 days of their stay in the city in the Jewish cemetery, fasting and wailing over being parted from their beloved dead. Jews were not permitted to inhabit Spain again until 1858, when a republic was established, and a repeal of the ancient edict of expulsion was secured from General Prim through the influence of H. Guedella, of London. But even then they were not allowed rights of unrestricted citizenship.

The French Revolution brought liberty and equality to Jews as well as to Gentiles in France, and gave rights of citizenship to all.

The Jews were not completely emancipated in England until 1858, when they were admitted to Parliament without being compelled to take the oath, "On the faith of a true Christian."

It must not be imagined, however, that the free and enlightened policies of France, England, and the United States have been elsewhere pursued. Very few substantial rights of citizenship were enjoyed prior to the Russian Revolution under Kerensky by either Russian or Rumanian Jews; and, it may be added, nearly 7,000,000 Jews, about one half of the total Jewish population of the earth, lived at that time in Russia and Rumania.

The political status of the Jew 150 years ago was a puzzle to the brainiest statesmen of Europe. Although the year 1793 witnessed the revolutionary emancipation of the Jews in France, Napoleon did not afterward regard them as citizens. He once said:

"The Jews are not in the same category with the Christians. We have to judge them by the political not the civil right, for they are not citizens."

And to gain desired information concerning them for the purpose of framing appropriate legislation for the Jews in the general reconstruction of the Empire after the French Revolution, he propounded the following 12 questions to the Sanhedrin of France:

"1. Is it lawful for Jews to have more than one wife?

"2. Is divorce allowed by the Jewish religion? Is divorce valid, although pronounced not by the courts of justice but by virtue of laws in contradiction to the French Code?

"3. May a Jewess marry a Christian, or a Jew a Christian woman, or does Jewish law order that the Jews should intermarry among themselves?

"4. In the eyes of the Jews are Frenchmen not of the Jewish religion considered as brethren or as strangers?

"5. What conduct does Jewish law prescribe toward Frenchmen not of the Jewish religion?

"6. Do the Jews born in France and treated by the law as French citizens acknowledge France as their country? Are they bound to defend it? Are they bound to obey the laws and follow the directions of the Civil Code?

"7. Who elects the rabbis?

"8. What kind of police jurisdiction do the rabbis exercise over the Jews? What judicial powers do they exercise over them?

"9. Are the police jurisdiction of the rabbis and the forms of election regulated by Jewish law or are they only sanctioned by custom?

"10. Are there professions from which the Jews are excluded by their law?

"11. Does Jewish law forbid the Jews to take usury from their brethren?

"12. Does it forbid or does it allow usury in dealing with strangers?"

To these questions the French Sanhedrin made the following replies:

"1. That, in conformity with the decree of Rabbi Gershon, polygamy is forbidden to the Israelites.

"2. That divorce by the Jewish law is valid only after previous decision by the civil authorities.

"3. That the religious act of marriage must be preceded by a civil contract.

"4. That every Israelite is religiously bound to consider his non-Jewish fellow citizens as brothers and to aid, protect, and love them as though they were coreligionists.

"6. That the Israelite is required to consider the land of his birth or adoption as his fatherland and shall love and defend it when called upon.

"7. That Judaism does not forbid any kind of handicraft or occupation.

"8. That it is commendable for Israelites to engage in agriculture, manual labor, and the arts, as their ancestors in Palestine were wont to do.

"9. That finally, Israelites are forbidden to exact usury from Jew or Christian."

These questions and answers formed the basis of all subsequent legislation by the French Government in regard to Jewish religious affairs and plans.

Ascher, the great Jewish teacher, framed this catechism for the Jewish youth of England:

"Has the Jew a fatherland besides Jerusalem?

"Yes; the country wherein he is bred and born, and in which he has the liberty to practice his religion, and where he is allowed to carry on traffic and trade and enjoy all the advantages and protection of the law in common with the citizens of other creeds, this country the Israelite is bound to acknowledge as his fatherland, to the benefit of which he must do his best to contribute. The sovereign who rules over this land is (after God) his sovereign; its laws, so long as they are not contradictory to the divine law, are also the Israelite's laws, and the duties of his fellow citizens are also his duties."

This catechism and the answer of the French Sanhedrin defined clearly the Jewish notion of the citizenship and fatherland of the Jews under the dispersion.

But it must be conceded that in the case of this strange and extraordinary people there is a peculiar kind of fatherland known to no other race; a fatherland not based upon the soil of earth, nor bounded by streams or mountains, nor subject to the pains and penalties of physical decay and death; a fatherland whose kingdom is of the spirit and whose law is the word of God. Hear Heine describe this fatherland:

"The Jews may console themselves for having lost Jerusalem and the temple, and the Ark of the Covenant, and the golden vessels and the precious things of Solomon. Such a loss is merely insignificant in comparison with the Bible, the imperishable treasure which they have rescued. If I do not err, it was Mahammed who named the Jews 'the people of the book', a name which has remained theirs to the present day on the earth and which is deeply characteristic. A book is their very fatherland, their treasure, their governor, their bliss, and their bane. They live within the peaceful boundaries of this book. Here they exercise their inalienable rights. Here they can neither be driven along nor despised. Here they are strong and worthy of admiration. Absorbed in the city of this book, they observed little of the changes which went on about them in the real world; nations arose and perished, States bloomed and disappeared, revolutions stormed forth out of the soil, but they laid bowed down over their book and observed nothing of the wild tumult of the times which passed over their heads."

Zebulon B. Vance, quoting Prof. M. F. Maury, compares the great human current of this strange Jewish fatherland to the Gulf Stream:

"There is a river in the ocean; in the severest droughts it never fails, and in the mightiest floods it never overflows. The Gulf of Mexico is its fountain, and its mouth is in the Arctic Seas. It is the Gulf Stream. There is in the world no other such majestic flow of water. Its current is more rapid than the Mississippi or the Amazon and its volume more than a thousand times greater. Its waters as far out from the Gulf as the Carolina coasts are of an indigo blue; they are so distinctly marked that their lines of junction with the common sea water may be traced by the eye. Often one half of a vessel may be perceived floating in the Gulf Stream water while the other half is in common water of the sea, so sharp is the line and such is the want of affinity between these

waters, and such, too, the reluctance, so to speak, on the part of the Gulf Stream to mingle with the common water of the sea."

Then Mr. Vance adds—

"This curious phenomenon in the physical world has its counterpart in the moral. There is a lonely river in the midst of the ocean of mankind. The mightiest flood of human temptation has never caused it to overflow and the fiercest fires of human cruelty, though seven times heated in the furnace of religious bigotry, have never caused it to dry up, although its waves for 2,000 years have rolled crimson with the blood of its martyrs. Its fountain is in the gray dawn of the world's history, and its mouth is somewhere in the shadows of eternity. It, too, refuses to mingle with the surrounding waves, and the line which divides its restless billows from the common waters of humanity is also plainly visible to the eye. It is the Jewish race."

This conception of a fatherland above the earth and having no physical boundaries may seem to many a far-fetched thought, a strained political metaphor, but the idea is not new nor is it confined to spiritual kingdoms. Waldstein says:

"The abolition of slavery and the Renaissance are as much a fatherland as are England, Germany, France, or the United States."

Kosciusko was once asked where his country was. "Where freedom is not", was the reply of the valiant Pole; and whether in the wilderness of America or on the plains of Poland, Kosciusko felt at home and within the boundaries of his fatherland, provided his sword was unsheathed in the name of liberty.

Mr. Speaker, the historical considerations that I have just presented to the House merely show that the contentions of Dr. Philipson and his coreligionists at Richmond are nothing new, since the political status of the Jew for centuries past has been settled not only by the catechism of Ascher and the answers of the French Sanhedrin but also by the terms of the oaths taken by Jews under the naturalization laws of the different countries in which they have settled. The Ascher catechism says emphatically that "the country wherein he is bred and born" is the fatherland of the Jew. The French Sanhedrin emphatically answered the inquiry of Napoleon by saying "that the Israelite is required to consider the land of his birth or adopton as his fatherland."

All this is sensible and logical enough; indeed, it is the only rational solution of the problem of Jewish citizenship and nationality, while the Jews are scattered throughout the world and have no country of their own. No other solution or determination of the political status of the Jew could be made unless we admit the correctness of the principle that there can be a State within a State, imperium in imperio, or unless we make the Jew an outcast upon the earth, without home or country.

But in the name of reason and common sense what is there in all this that offers a serious objection to the Zionist movement or to the passage of this resolution? Is there anything fixed, eternal, unchangeable, and irrevocable in Jewish citizenship that holds the Jew forever chained to the country of his birth or adoption? Does not international law sanction change of citizenship from one country to another? Do not the immigration and naturalization laws of all nations permit expatriation and repatriation without the slightest trace of a stain of treason? Is anything more required by the laws of man, nature, or God of the Jewish citizen or of the citizen of any other race than loyalty to his country during the continuance of his citizenship?

Furthermore, is it not well to remember that the duties and obligations of the citizen toward the country and the country toward the citizen are mutual and reciprocal? Should the citizen be required to render obedience to the laws of the country, to pay taxes, to support the Government, and to defend the flag in times of war, unless the country is willing and able to protect the citizen in the enjoyment of his rights of life, liberty, and property, as well as the pursuit of happiness, at all times? If the country fails in its obligations, is not the citizen absolved from his duties?

American Jews are obedient to the laws of the country and have shown themselves true patriots in every period of our history, both in peace and war, and the Government of our country has protected them in the enjoyment of their legal and political rights. There would be no Zionist question if this state of things existed throughout the world. But what about the Jews of Russia, Rumania, and Poland? Will the opponents of this resolution seriously contend that they owe any particular love, loyalty, or allegiance to the Governments of their countries?

Permit me at this point, Mr. Speaker, to consider the second of the main objections to political Zionism and to the passage of this resolution. It has been urged by the opponents of this measure that the principle of the right of self-determination would be violated by the establishment of a Jewish state in Palestine with the Jews in dominant control. It is pointed out by these opponents that the entire population of Palestine is about 700,000, and that of this number about 500,000 are Mahommetan Arabs, about 110,000 are Christians of various sects and denominations, and that about 90,000 are Jews. It is urged that, upon the principle of the right of self-determination, these 500,000 Arabs should not be compelled to submit to the domination of a Jewish minority in the country.

Mr. Speaker, I believe firmly in the doctrine of self-government or self-determination as representing a sacred principle in government. Lincoln's "government of the people, by the people, and for the people" is not possible without strict observance and application of the rights of self-determination. But I must insist that it does not become the American Congress or the American Government to prate too loudly at this time about the sacred rights of the Arabs in Palestine, in the light of our treatment of the Filipinos during the last quarter of a century, and in view of the fact that every civilized nation of the earth, excepting the United States, has acknowledged the independence de jure of Estonia and Latvia upon principles of self-determination.

Our American theories of government are always glittering successes, but our practices are ofttimes dismal failures. We boast of personal liberty in America and then tolerate the Volstead Act upon the statute books. I say to you that there will be no genuine personal liberty in America again until that act is repealed or radically modified. But I shall not stop to discuss or denounce prohibition, since the subject of debate is the Zionist movement.

I want to make very clear and emphatic at this time, Mr. Speaker and gentlemen of the House, my attitude and views upon the Arab question in Palestine. I am in favor of carrying out one of the three following policies, to be preferred in the order in which they are named:

(1) That the Arabs shall be permitted to remain in Palestine under Jewish government and domination, and with their civil and religious rights guaranteed to them through the British mandate and under terms of the Balfour declaration.

(2) That if they will not consent to Jewish government and domination, they shall be required to sell their lands at a just valuation and retire into the Arab territory, which has been assigned to them by the League of Nations in the general reconstruction of the countries of the East.

(3) That if they will not consent to Jewish government and domination, under conditions of right and justice, or to sell their lands at a just valuation and to retire into their own countries, they shall be driven from Palestine by force.

Mr. Speaker, I wish to discuss briefly each of these alternatives in order. And first let me read the now celebrated Balfour declaration, dated November 2, 1917, during the progress of the Great War, and afterward incorporated in the preamble of the British mandate authorized by the League of Nations. The Balfour declaration was in the following language:

"His Majesty's Government view with favor the establishment in Palestine of a national home for the Jewish people and will use their best endeavors to facilitate the achievement of this object, it being clearly understood that nothing shall be done which may prejudice the civil and religious rights of existing non-Jewish communities in Palestine or the rights and political status enjoyed by the Jews in any other country."

If this is not a condensed and at the same time a complete bill of rights both for the Arabs of Palestine and for the Jews who intend to remain in their present homelands outside of Palestine, I have never read or seen one. It is conceded by the Arabs themselves that the present government of the country under the British mandate and through the Zionist organization as an administrative agency is infinitely better than the government of the Turks who were chased out of the country by Allenby, the British general. It is probably better than any that the Arabs could create and maintain for themselves.

I respectfully submit that the Arabs in Palestine should be, and would be, happy and contented under the present government of that country if it were not for Turkish and Arab agitators, who travel around over the land stirring up trouble by making false representations concerning the true character of the Zionist movement, and by preaching a kind of holy war against the immigrant Jews who arrive from day to day. The Arabs are well represented in the personnel of the present Palestine administration, which has recognized their language as one of the official languages of the country, and has given official standing to the Moslem religion.

There is no good reason why the Jews and Arabs should not live together in perfect peace and harmony in Palestine. They are all Semitic in blood and language, and all worship the same God and the same Hebrew prophets. Instead of being antagonistic there is every racial and religious reason for peace and harmony.

In the second place, if the Arabs do not wish to remain in Palestine under Jewish government and domination, there is plenty of room outside in purely Arab surroundings. The British Government and her allies made overtures and gave pledges to the Arab people to furnish them lands and protect their freedom in consideration of Arab alliance with the Allies during the World War. That pledge has been kept. The Hedjaz Kingdom was established in ancient Arabia, and Hussein, Grand Sheriff of Mecca, was made king and freed from all Turkish influence. The son of King Hussein, Prince Feisal, is now the head of the Kingdom of Mesopotamia, and Arab predominance in that country has been assured by the Allies to the Arab people.

Mesopotamia is alone capable of absorbing 30,000,000 people, according to a report submitted to the British Government by the great English engineer, Sir William Wilcocks. Arab rights are also fully recognized and protected by the French mandate over Syria. There are also several flourishing Arabic cultural and political colonies in Egypt. In short, the Arab-speaking populations of Asia and Africa number about 38,000,000 of souls and occupy approximately 2,375,000 square miles, many times larger than the territory of Great Britain. In other words, under the reconstruction of the map of the East, the Arabs have been given practical control of Greater Arabia, Mesopotamia, Syria, and parts of Egypt, which gives them an average of 38 acres per person. If the Arabs are compelled to leave Palestine and turn it over entirely to the Jews, it is admitted that the Arab race would still be one of the wealthiest landowning races on the earth. Therefore I contend that if they will not consent to live peaceably with the Jews, they should

be made to sell their lands and retire to places reserved for them somewhere in Arabia, Syria, Mesopotamia, or Egypt, that suit them best, and where they can worship Allah, Mohammed, and the Koran to their heart's content. After all is said, the fact remains that the Arabs have more lands than they need, and the Jews have none. I am in favor of a readjustment under the Balfour declaration, without too great regard to nice distinctions in the matter of the question of self-determination. This thought brings me to my third proposal heretofore mentioned, that the Arabs should be driven out of Palestine by the British and Jews, or by somebody else, if they will not listen to the voice of reason and of justice.

I shall probably be told that, regardless of the question of land and property rights, the Arabs have an interest in the holy places around Jerusalem. Admitting that their claims in this regard are just, there should be no trouble along this line. There is no reason to believe that Jews and Christians would deny them access to the holy places in the pilgrimages that they might desire to make from their Arab countries. But if the rights of the Jews to their ancient homeland are to be made dependent, as a final question, upon Moslem interests in the holy places around Jerusalem, I am willing and prepared to repudiate these rights entirely and to shut the Arabs out altogether.

Mr. Speaker, I despise and hate race prejudice and religious bigotry worse than I do the devil and all his ways. But I must confess that feelings of intolerance arise in my mind and heart when I hear any attempted justification of Mahomet, his message, and his mission. My respect and homage go forth even reverently to all the great ethical and religious teachers of history, to those spiritual and intellectual leaders of the race who, at times in agony and in martyrdom, have delivered messages of regeneration to mankind.

I make my respectful salute to Confucius and Buddha, the ethical teachers, in whose writings are found many passages of sublimity and beauty. I pay my deep homage and reverence to the Hebrew prophets and teachers, to Moses, to Abraham, to Isaac and Jacob and the tribes, to the gentle Hillel, and to Akiba. My reverence and adoration go up to Jesus of Nazareth, the most precious gem of human life, "the noblest blossom of a noble tree, the crown of the cedar of Israel." But I draw the line on Mahomet, the military conqueror and robber, the forger of oracles, the polygamist.

I have read the Koran through twice from beginning to end. I have also read several standard lives of Mahomet, among them those of Washington Irving, Higgins, Sale, and Gibbon. Furthermore, I have made it a point to read translations from the books of his own Turkish and Arabian biographers. I feel justified, then, in saying that I am pretty well acquainted with Mahomet and his teachings, and I trust that you will not think that I am guilty of too great digression if I now pay my respects to both Mahomet and his followers.

The declaration may sound bold and even unjustifiable to some of you, but I am prepared to assert that Mohammed stole all that is worthy in his religion from the Jews and Christians, that the finer passages of the Koran are taken almost bodily from the Bible, and that the followers of Mohammed overran and captured Palestine by military force. If these things be true, it comes in bad grace from the Arabs of Palestine or from their friends and apologists to lay claim either to the territory or the sacred places around Jerusalem. I respectfully submit that even a thousand years of political or historical prescription give no valid title to lands or places originally acquired by fraud and force.

In closing, Mr. Speaker, I wish to say that we Christians should encourage the reestablishment of the Jews in Palestine for selfish and sentimental reasons as well as from motives of gratitude and a sentiment of justice. We should rush to the assistance of the Jews in the matter of the Zionist movement as Lord Byron went to Greece to fight for the independence of the Greeks. We should speak in Congress with the same feelings and the same inspiration that caused him to write The Isles of Greece, feelings born of a love of freedom and of a passionate desire to preserve a civilization and a type.

No garden of flowers is perfect or complete without the presence of the rose and the orchid, of the violet and the lily, and, indeed, of every kind of flower of tenderness and beauty. Nor can the garden of life be perfect and complete without the presence and preservation of all the fine types of intellect and spirit that have come from the trials and sufferings, the struggles and sacrifices of the various peoples of our race. Civilization would certainly be made imperfect by the loss of any one of the great types, for its essential elements, after all, are but the component parts of a blending of the varying attributes and execellencies of all human life.

Rome gave laws, Greece gave letters, and Palestine gave religion to mankind. Thus runs the judgment of the world. We are interested in the preservation of all these colossal types, and especially those of the Hebrew and the Greek, and above all that of the Hebrew, for beyond the boundaries of kingdoms and above distinctions of creed or blood is a colossal universal spiritual type established by the Hebrew. This type reflects the sacred and spiritual in every human heart that looks above idols and beyond the stars; a type that ignores self and attributes every splendid, righteous act to the Author of all things; that spurns a self-development whose maker and molder is not God; that hears in rolling thunder the awful voice of Jehovah sending warnings to his children, and sees in lightning a manifestation of eternal wrath; a type that gave Pharisees to Judea, Stoics to Rome, and Puritans to England.

These latter characterizations suggest integral opposites somewhere—the needed complements of a perfect whole—and reflection at once begins to classify along lines of nature and of history, grouping Pharisees with Sadducees, Stoics with Epicureans, and Puritans with Cavaliers.

The essential complement of the Hebrew type was furnished by Greece, the first great rival of Judea in intellect and spirit. The civilizations of the earth circle around these names as smaller planets revolve around great central suns. The essential elements of opposing Hebrew and Hellenic growths are everywhere reflected in national and individual life.

In the organization of every man on earth two antagonistic forces are forever active—the heavenly and earthly, the spiritual and natural, the ascetic and voluptuous. If the spiritual predominates, the man is Hebrew in structure and temperament. If the sensuous and voluptuous are the controlling attributes, the man is Greek.

If in the solitude of deep forests he hears the rustle of the leaves as fleeing nymphs depart and sees in every tree and rock and stream the reflected image of some deity of nature; if, while standing on the famous battlefields of earth, he hears again the tread and tramp of embattled millions, feels again the sublime thrill and fierce rapture of a bayonet charge, hears again the brazen lips of hostile cannon thunder alternate anthems to the god of battles; if "with color, form, and music he is touched to tears", and while standing in the Vatican or Louvre feels within himself the thrilling power that corresponds to the magic force that painted a madonna or carved a marble god, then this man is a Greek of the age of Pericles, a figure from the antique world.

A full development of these attributes on a colossal scale and along collective lines stamps a nation's history with character and distinctive life, reflecting in the whole the characteristic traits of all component parts. To verify this thought, cast a glance across the pages of Hellenic history.

An old blind bard sings; the Iliad is born, and under the spell of the Homeric muse all the grace and grandeur of Grecian life blossom into perfect beauty.

A million Persians advance upon a mountain pass, 300 Lacedæmonians defend, and the chivalry of the ages has a standard and a metaphor in the death-devoted sacrifice of Leonidas and his band.

Ctesiphon moves the Greek Assembly to vote Demosthenes a golden crown in consideration of public services, the motion is illegal, Ctesiphon is accused, and at the trial of the indictment the oratorical prodigies of antiquity appear as combatants. Æschines is exiled, Demosthenes is apotheosized, and mankind receives the priceless legacy of the incomparable oration, "On the Crown."

Zeuxis and Parrhasius, as a trial of skill, paint two pictures. That of Zeuxis represents a bunch of grapes and is so perfectly executed that the birds come and pick at it. Flushed with pride and confident of success, Zeuxis calls upon his rival to draw aside the curtain which conceals his picture. But, lo! the curtain itself is the painting of Parrhasius, and Zeuxis is beaten, for he who has deceived the birds is himself deceived by his antagonist.

Phidias, Praxiteles, and other sculptors carve from cold and pulseless marble those forms of life and beauty that thrill the human soul with perfect joy, and the frieze of the Parthenon, the Apollo Belvedere, the Venus di Medici, the Venus de Milo become the perpetual heritage of a sensuous and beauty-loving world.

Marvelous and magnificent history this! And from alpha to omega how superbly Greek—every line and lineament stamped with Hellenic imprint! But how radically different all this from everything Judean! The accentuated antithesis of every chapter of Grecian history describes all the glories and splendors of Hebrew life.

The Greek relied upon himself and his javelin for safety and preservation in time of danger. The Hebrew placed his trust in God and believed that prayer would save him from all harm. In the temples of the Acropolis, in the pages of the Odyssey, in the victories of Marathon and Salamis, the Greek acknowledged the handiwork of man and dedicated monuments to those who had brought renown to Greece. The Hebrew ascribed to the omnipotence of Jehovah every grand and righteous act and covered with benedictions the prophet who had most completely revealed the will of Heaven. Every transcendent deed of righteousness was credited to the Lord of Hosts.

Yes; I repeat, that if all else be lost, mankind must preserve at any hazard both the Hebrew and Grecian types of intellect and spirit, for they are fundamental in our natures and are deeply interwoven in the very warp and woof of all that is grandly spiritual and superbly intellectual in our history, literature, and civilization. The loss of the spiritual and intellectual products of Greece and Palestine to civilization would cause mankind to relapse with frightful speed into savage and barbaric night.

The Greeks have Greece. Let us give Palestine back to the Jews.

Then will the prophecies of the Hebrew seers be fulfilled; then will justice be done; then will the demands of liberty, humanity, and civilization be satisfied; then, and only then, will Byron's muse be answered:

"OH! WEEP FOR THOSE

"Oh! weep for those that wept by Babel's stream,
Whose shrines are desolate, whose land a dream;
Weep for the harp of Judah's broken shell;
Mourn—where their God hath dwelt the godless dwell!

And where shall Israel lave her bleeding feet?
And when shall Zion's song again seem sweet?
And Judah's melody once more rejoice
The hearts that leap'd before its heavenly voice?

Tribes of the wandering foot and weary breast,
How shall ye flee away and be at rest!
The wild dove hath her nest, the fox his cave,
Mankind their country—Israel but the grave!"

"ON JORDAN'S BANKS

"On Jordan's banks the Arab's camels stray,
On Zion's hill the False One's votaries pray,
The Baal-adorer bows on Sinai's steep—
Yet there—even there—oh God! Thy thunders sleep.

There—where Thy finger scorch'd the tablet stone!
There—where Thy shadow to Thy people shone!
Thy glory shrouded in its garb of fire:
Thyself—none living see and not expire!

Oh! in the lightning let Thy glance appear;
Sweep from the shiver'd hand the oppressor's spear:
How long by tyrants shall Thy land be trod!
How long Thy temples worshipless, O God!"

—*Lord Byron, Hebrew Melodies.*

PRESENTATION BY INDIANA DAUGHTERS OF THE AMERICAN REVOLUTION OF THE INDIANA BELL

Mr. ROBINSON of Arkansas. Mr. President, I ask that there be printed in the RECORD an address delivered on April 16, 1933, at Valley Forge, Pa., by the junior Senator from Indiana [Mr. VAN NUYS], at the dedication of the Indiana bell, a gift of the Indiana Daughters of the American Revolution as an addition to the Washington Memorial Chapel carillon.

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

May I take this first opportunity to felicitate the Indiana Daughters of the American Revolution upon the completion of a great and patriotic service.

While the Indiana bell will be presented and dedicated this afternoon by officers and members of your organization, I am assuming now to speak in behalf of the entire citizenship of our beloved State, in giving voice to that gratitude and heart-felt appreciation which goes out to your patriotic organization from every Hoosier home for the contribution which you are this day making to the perpetuity and sanctity of this national shrine.

Although your patriotic activities and accomplishments have long been recognized throughout the State, none have been more in keeping with the origin and purposes than your procurement and gift of this Indiana bell. What a source of joy and gratification it will be to your officers and members to remember that down through the ages your bell, Indiana's bell, will join with those of all the sister States in daily and hourly tribute to the immortal Washington.

Although the quotation is quite familiar to the members of your patriotic organization, I repeat here the unparalleled estimate of Cyrus Townsend Brady in the hope that it may penetrate every Indiana home and bring to this place and occasion that deep reverence which they so richly deserve:

"No spot on earth, not the plains of Marathon, nor the passes of Sempach, nor the place of the Bastile, nor the dikes of Holland, nor the moors of England, is so sacred in the history of the struggle for human liberty as Valley Forge."

May I likewise felicitate you upon the selection of the Biblical admonition which you have so wisely chosen to inscribe upon the rim of this bell:

"Remove not the ancient landmark which thy fathers have set."

What a clarion call that is to this present-day, turbulent political world!

"Remove not the ancient landmark which thy fathers have set."

This generation has witnessed more widespread political, economic, and social changes than any other one generation in modern history. This is neither the time nor occasion to discuss the merits of such changes. I simply state it as an indisputable fact that more so-called strong and great nations have changed their forms of government and have adjusted their social, economic, and industrial systems to new and different standards during the past quarter of a century than during any similar period of time in this modern era.

The United States of America differs only in degree from many of her sister nations. The universally recognized depression under which we as a nation have been suffering for the past several years has, no doubt, provoked these changes in America. Every class and condition of our citizenship has been affected. In the industrial world millions of workers are out of employment. It has been estimated that more than 13,000,000 men are today tramping the streets of America in search of a job, and that each day adds to this army of unfortunates. Homes have been disrupted and the health and education of children have been retarded. Colossal industrial and economic enterprises have collapsed, carrying in their wake the accumulated fortunes of generations. Our basic industries, our farms and mines, have failed to yield returns over and above the cost of production, with resultant disaster not only to such fundamental industries but to all those economic superstructures dependent for their existence upon such industries.

As a result, our social, industrial, and economic relations are out of joint. In the midst of plenty, hunger and nakedness stalk through the land. Wealth there is in abundance, but it is in hiding and performs no service. Fear clutches at the hearts of our people. As a nation, we are being threatened with the loss of our morale.

It is quite palpable, even to the most casual observer, that America and her institutions are today undergoing some of the most radical changes and crucial tests since our inception as a nation. Will we, or will we not, survive?

Let me preface my brief observations here this afternoon with the statement that in my opinion the framework of our Government and the principles underlying it are sufficient to meet every political and economic exigency with which we are now, or may be, confronted in the future. I am not one of those who have lost faith in the smallest degree in the sufficiency of American government. But while making that statement I am not unmindful of the seriousness of the situation and the urgent necessity of prompt and intelligent attention to the demands of the hour. The welfare and perpetuity of our Nation today challenges the best thought and the most disinterested service of every patriotic American citizen. The Chief Executive at Washington and a Congress which, to a large extent, has abandoned partisan lines and dedicated its time and talents to the public service, are assuming their respective duties fearlessly and courageously.

But the rehabilitation of the American people demands more than Executive edicts and legislative enactments. It demands from all classes and conditions of our people the recognition and assumption of the full duties and responsibilities of American citizenship. Before the United States of America regains her former proud position of strength and vigor, every citizen will, in my opinion, be called upon for even greater sacrifices than those already rendered.

Out of this economic chaos a new industrial and economic order will arise. New limitations and restrictions will be placed upon business, capital, and labor. New vehicles will be created for greater social justice. Stronger safeguards will be thrown around the health and education of children. Provision will be made to protect the worker against the fear of penniless old age or long periods of unemployment. More equitable distribution of that wealth, which the Nation is so capable of producing, will flow naturally but certainly through the channels of the new industrial order.

Such changes as above set out cannot be brought about painlessly and without cooperation and sacrifices upon the part of all classes of our citizenship.

We have just witnessed congressional and Executive action which will result in the curtailment of pensions and the pay of Federal employees as a means of balancing the Budget, preserving the credit of the Nation, and forestalling national bankruptcy. If this were the end of the effort, it might, in many instances, be called cruel and unfair. In fact, it is only the beginning. Every other class of our citizenship must likewise make contribution, and in direct proportion to its ability to pay.

Sacrifice is one of the obligations incident to present-day American citizenship. Just as upon a foundation of sacrifice has the Nation been erected.

May I call your attention to one more illustration? For the purpose of spreading employment, it is quite evident that the work-week and the workday must be shortened. It is said that owing to the mechanization of modern industrial plants, even if such plants were to resume operations similar to their peak operations of 1928, there would still be a standing army of more than 2,000,000 idle workers—the victims of this modern automatic machine age. To adjust the operation of industrial plants to this new work schedule will involve sacrifice and loss to the owners and perhaps increased cost of commodities to the ultimate consumers. Shall we hesitate in the face of a condition which makes mendicants of millions of American workmen at the doors of public and private charities?

These are only suggestions as to what lies before the American public in the rebuilding of our economic, financial, and industrial systems, along lines which will forestall such another economic upheaval as that through which we are now passing. Are we brave enough and patriotic enough to assume such burden? Are we sufficiently interested in the preservation and perpetuity of our governmental structure to assume the sacrifices incident to the putting of our house in order, or shall we continue to drift, as others have done before us, into governmental and economic chaos?

It is my prayer and belief that the American people are both able and willing to meet the situation fearlessly and successfully.

Washington, in his Farewell Address, made this statement: "Citizens of a common country whether by birth or adoption, that country has the right to concentrate your affections."

What I am pleading for today is the concentration of the affections of all good, loyal American citizens upon our common country—such concentration as will build a new faith in America and American institutions, impatience with all attempts to malign or undermine the Government, and loyal cooperation with the Government in its efforts to regain our former material and spiritual leadership of the world. As suggested hereinbefore, Congress may legislate at will, the Chief Executive may enter daily

and hourly Executive orders, but without the loyal support and cooperation of all our citizenship, such legislation and Executive decrees will avail but little.

I know of no more historic spot than Valley Forge, nor no more inspiring character than Washington from which to seek guidance and direction in this hour of extremity. If I have read the life work of the Father of our Country correctly, the one outstanding attribute of his public and private life was that of service. As engineer, farmer, and business man, he gave the full measure of his talents to the betterments of his community and his fellowmen. As leader of the Revolution, as a guiding spirit in the framing of the Constitution, and later as the first President of his country, he was animated alone by a passionate and disinterested love of his country.

Daniel Webster, speaking at the Centennial Celebration of the Birth of Washington, summarized his strength in these brief words:

"There was in the breast of Washington one sentiment so deeply felt, so constantly uppermost, that no proper occasion escaped without its utterance. From the letter which he signed in behalf of the convention when the Constitution was sent out to the people, to the moment when he put his hand to that last paper in which he addressed his countrymen, the Union—the Union—was the great object of his thoughts."

May we, as a people, gather faith and inspiration from the ideals and traditions of the fathers. And while thus pleading for love and loyalty and sacrifice to the Government in behalf of the citizens, may we insist with no less emphasis that the Government itself constantly take stock of its origin and ring true to the people.

The surrender at Yorktown was not the crucial hour in the American Republic. That hour came 6 years later at Philadelphia, when those victorious Colonies assembled in convention to develop a new ideal, a new government, in which the people might be the keeper of their own destinies. Happily for the world, wisdom and unselfishness ruled that assemblage, and its purpose was accomplished. That Government has proven the stubborn texture of its fabric. Under it we have grown from a little fringe of States along the Atlantic seaboard into a Nation which sweeps from sea to sea—a diversified and complex Nation, an irresistible and unconquerable Nation both in the ways of war and peace. We have succeeded because, in my opinion, we have kept the faith. Just now, in State and Federal Governments, we are engaged in what may appear to be serious departures from the ideals and traditions of the founders. If those in whom these unusual and unprecedented powers are vested should by the administration of such powers confirm the fears of those who today are just as jealous of the people's rights as were the founders of the Republic, then from that day will we mark the decadence of our treasured liberties. Never for one moment must our Government lose sight of its original purpose and design as the vehicle—and only the vehicle—for the preservation of the lives and liberties and the happiness of the American people. Thus only, through the love and loyalty of the citizen to his Government on the one hand, and the responsiveness and fidelity of the Government to the citizen on the other, will America reach the full measure of her destiny.

May our presence here this afternoon contribute to the preservation and future promise of the American Republic.

PHILOSOPHY OF NATIONAL DOMAINS—ADDRESS BY T. L. JEFFORDS

Mr. HATFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an address delivered by the Honorable T. L. Jeffords, a distinguished jurist of West Virginia, before an educational conference in Jefferson County, W.Va., entitled "Philosophy of National Domains".

In view of the recent discussions in the Halls of Congress on the national and international situation, I am positive that this address will prove both interesting and instructive.

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

Looking at histories we do not find that any deal noticeably with national domains, but more generally with wars, customs, laws, policies, and people; but national domains would seem to be worth an attempt at writing a philosophy of some of them, and that is the purpose of this paper.

Horace Greeley said, "Young man, go west and grow up with the country", and man and civilization have always been going west.

Someone has said the average American citizen might have some hesitation about going to heaven unless he were assured of an opportunity to go farther west.

Ever since the flood humankind has been moving west, and has gone so far west it may soon arrive all the way around the circle to where the ark rested.

Most of the world development has been by water, and the large cities of the world are located on or near the water, and the population in cities is increasing while that outside the cities is decreasing.

Those who have read about the development of our West may recall that some pioneer settlers insisted that wealth came not from digging gold but from digging the soil, that real progress was not made in prospecting but in ploughing.

Great Britain is an example of greatness by acquiring more territory, and has larger national domain than any other country, and the innate desire to go farther west may be one reason for it.

Already there is no place for the citizen of the United States to go farther west, and the urge to do that must remain unsatisfied unless there be found some place to go; and where shall it be found?

The United States is now in the most severe and lasting depression any man living has ever known, and we are told that for the past year or two more foreigners have been leaving the United States than have been coming into it, and during that period more citizens of the United States have been leaving and remaining away, some expatriating themselves, than at any other time. Is this due to the depression or to the ambition to go farther west, or both, or other causes?

The natural human tendency to go farther west has been manifested by the Britisher in also going farther north, south, and east, and to do this it was necessary to travel on the water, and as a result of that necessity, Great Britain has the largest and most powerful navy and merchant marine the world has ever known.

Great Britain has acquired and developed so much land area, national domain, in so many directions and such distances away from home and away from each other that the enlargement of its navy and merchant marine has followed as a natural result.

Possessing and having control of all this land area and its people and resources, it has developed its navy and merchant marine in acquiring and developing land area, and there would seem to be no good reason why this reciprocal development will not continue, but how long and to what extent?

Japan conditions lately and now suggest a comparison of that country with Great Britain and a perhaps more than possible development of Japan along the same lines as Great Britain, which has enlarged its possessions across more water than Japan is obliged to travel to enlarge its possessions.

The home domain of Japan is small, like the Great Britain home domain, is located in the Pacific somewhat like the location of England in the Atlantic—and will Japan develop along the line Great Britain has and become as much more powerful than Great Britain as the Pacific Ocean is larger than the Atlantic Ocean?

In the United States there are about 4 persons to every square mile, while in Japan there are about 400, and it would seem that the time for Japan to enlarge, go west, is perhaps overripe.

Notwithstanding the League of Nations, the points of international debate, treaties, open and secret, parleys, conferences, assemblies, negotiations, pacts, and the World Court, it would seem now reasonably certain that Japan will not give up any part of its lately acquired possession of what was formerly part of China, and it would seem equally certain that Japan has embarked on a campaign of development and acquisitions of territory which is not likely to be stopped for some time, and will continue until Japan becomes a world power. There is no doubt that throughout the world there is much unrest, and perhaps more now generally than at any other time, and is this because of a lack of opportunity or expression of eagerness to satisfy that ambition to go farther west?

Japan some years ago began warlike operations somewhat like those in which it is now engaged, but ostensibly directed against Russia, and it has been said that the Portsmouth Treaty, which terminated that war, was one of the great drawbacks in the development of modern times, and further that the treaty was not really a peace treaty, but the terms of it were dictated by a large banking house in New York City and were prerequisite to making a large loan of money abroad.

And the theory on which it is asserted that this so-called "peace treaty" was a drawback is that if it had not been made, the war between Japan and Russia would probably have lasted years, and during that period Russia would have been opened to the world and to visitation by war correspondents, photographers, investors, promoters, solicitors, and the like, and that conditions in Russia would not now be what they are, but would be more like conditions in other countries.

And in this same connection there are those of philosophic turn of mind who feel that the too early ending of that war is showing results in the beginning of the present war, and that in a sense the present war against China is but a continuation of the earlier war against Russia, the purpose of both being to acquire more territory; and if so, that leads to more thought and study of this question of national domain.

If Japan continues this war and enlarges its territory, it will be necessary for her to enlarge her navy and merchant marine, and this reciprocal development of Japan may continue along the same line as that of Great Britain; and if so, why will not these two countries divide the mastery of the waters—and will a time come when the two will war for the supremacy which Great Britain now has?

The United States is the best part of North America because it has the best climate, for it is too cold in that part north of the United States and too warm in that part south of the United States for either to have an ideal development, production, or population.

And because of climatic conditions the larger part of South America will not have an ideal development, production, or population, and this results in the United States of America being the greatest national power of the Western Hemisphere.

But what line of development may be desired or expected that will give the citizens of the United States an opportunity to express this desire to go farther west? Will acquiring or annexing all between the United States and South America give the United

States citizen an overflow chance? Has the purchase of Alaska helped to satisfy that inclination to go farther west? Is it because of no opportunity to satisfy this inclination that foreigners and citizens of the United States are leaving it?

Colonel Lindbergh made a neighborly good-will trip to South America, and perhaps the significance of it has been overlooked, but he made a far more significant trip when he went north through Alaska into Siberia.

Will the time come when we shall have railroad routes or air routes from South America through North America into Siberia and on to China, Japan, India, Europe, and Africa? Will the Valley of the Nile again become a great producing area? Will a development drive into Russia so as to give the world more benefit of its resources? Will India be changed to a condition so desirable that it will be as attractive as it seemed when Alexander the Great took his army there? Will the Orient come back to a former condition when it produced such men as the Wise Men of the East, Hammurapi, Zoroaster, and Omar Khayyam; and will these what some may now call backward or laggard countries be so changed that in what is now China there will again be men like Confucius, and will the present Japanese war help bring about all or part of this?

It is said that progress is founded on the blood and bones of those who have suffered and sacrificed, and that a history of the world is a history of its wars. Is it philosophical now to expect progress to come or to be built on peace, or, as in the past, on suffering, sacrifices, and blood; in other words, on wars?

Oriental civilization flourished, Chinese, Indian, Persian, Chaldean, Babylonian, Jewish, Greek, Egyptian, Roman, each one farther west, and now we think there are numerous civilizations that flourish, but will they be transitory or lasting, and what of the United States?

Do development and progress mean only going west until we begin again to go east and going round and round, and are world development and progress that in which events and existences follow in a circle?

Not so many years ago the Indians were in possession of North America, or at least that part of it which is the United States, and now there are comparatively few Indians within that area. Will the invasion and war of the Japanese in China continue until the condition and number of the Chinese in China are like the condition and number of the Indians in the United States?

Has destroying the Indians and taking their lands been progress or not; has the change come by treaty, by peace, or by wars for more domain, and what is the philosophy of national domains?

China, India, Russia, Africa, and the Pacific Ocean hold opportunities to exercise the universal desire to go farther west.

Conditions portend more revolutions and more wars.

6-HOUR DAY, 30-HOUR WEEK

Mr. BULKLEY. Mr. President, on yesterday, at the instance of the senior Senator from Alabama [Mr. BLACK], there was read into the RECORD a letter from Toledo, Ohio, to the effect that three manufacturing concerns of that city had threatened their employees in connection with securing signatures to petitions in opposition to the 30-hour week bill. I send to the desk and ask to have read a telegram, signed by those three concerns, which I have received this morning.

The PRESIDING OFFICER (Mr. POPE in the chair). Without objection, the clerk will read, as requested.

The legislative clerk read as follows:

TOLEDO, OHIO, *April 18, 1933.*

Hon. R. J. BULKLEY,
United States Senate, Washington, D.C.:

Associated Press carries story that Senator BLACK today read into Senate RECORD anonymous letter to effect Electric Autolite Co., Logan Gear Co., and Bingham Stamping Co., of Toledo, had threatened their employees with dismissal if they did not oppose so-called "30-hour week" bill. Will appreciate it very much if you will see that in same RECORD is written statement that this is absolutely false; that no employee has been so threatened.

THE ELECTRIC AUTOLITE CO.
LOGAN GEAR CO.
BINGHAM STAMPING CO.

Mr. BULKLEY. Mr. President, in all fairness I should say that the letter which was read into the RECORD yesterday was not an anonymous letter. The writer requested, for obvious reasons, that his name should not be disclosed, and the Senator from Alabama properly respected that confidence. On the other hand, I think the correspondent who wrote the letter must have been mistaken in the assertions that he made because it seems to me likely that if these concerns had gone to the length of threatening employees to secure signatures in opposition to the passage of the 30-hour-week bill, in all probability I would have received some such petition. I have not received or seen any.

Of the three concerns signing the telegram, I have heard directly from only one in opposition to the 30-hour bill. The other two did not even take the trouble to communicate with me directly to voice their opposition to the bill. I consequently believe that the charge that they have intimidated employees is not well founded. If there is any evidence that there has been any intimidation in the State of Ohio I should like to have it, because I believe there is nothing more contemptible than an attempt on the part of employers to influence by threats any voting or political expression of opinion on the part of their employees.

Mr. BLACK. Mr. President, I desire to state in connection with the letter that the only information I had relative to it was contained in the letter itself, which was read. It was in line, however, with letters which I have received from various parts of the United States. In order that the illustration may be properly given, I send to the desk now a letter from Lancaster, S.C. At the end of the letter is the request, "Please do not let anyone see this—my name." The name is signed to the letter. It is exactly the same kind of letter I have received from various people throughout the United States. In this connection I should like to have the letter read without disclosing the name.

The PRESIDING OFFICER. Without objection, the clerk will read, as requested.

The legislative clerk read as follows:

LANCASTER, S.C., *April 17, 1933.*

United States Senator HUGO L. BLACK,
Washington, D.C.

DEAR SIR: The cotton manufacturers are trying to defeat your 6-hour a day and 30-hour a week law by every kind and conceivable false propaganda under the sun. I heard of a plan now to get the operatives to sign a petition asking Congress not to pass your bill. They can get the operatives to sign anything at this time, because the operatives are afraid of losing their jobs, and the cotton manufacturers are trying to scare the operatives in regard to your bill with starvation wages. This law of yours is the greatest piece of legislation now before Congress and should be pushed on at once to a successful conclusion. Your 6-hour a day law is the best law, too, for the manufacturers. When your bill becomes a law, here is what will take place: Production will be curtailed 25 or more percent; inside of 3 months there will be a shortage of cotton goods; therefore the price of goods will advance, wages will advance, and there will be a demand for labor.

Your bill is the only thing that will combat this machine age. Improved high-speed machines have thrown half the cotton-mill operatives out of work. Operatives are operating three times as many machines as they operated 4 years ago, and the operative who made $20 a week 4 years ago is making $8 now.

The laboring people of the country are in a bad plight; they cannot make complaint to their superiors for fear of losing their job, and they are working 12 hours a day besides. Unless Congress comes to our relief, may the great God have mercy on us.

Please keep up your good work for us, and our prayer is that your life may be greatly blessed and may every success come to you.

Please don't let anyone see this—my name.

Mr. BULKLEY. Mr. President, of course the subject matter of the letter from South Carolina has nothing to do with the subject matter I brought up this morning. I have expressed no opinion as to whether there may be intimidation of employees in South Carolina or elsewhere. I have seen no evidence of intimidation in the State of Ohio in connection with this particular legislation. In fairness to the three companies in Toledo who were charged with intimidation, I have been glad to place their denial in the RECORD.

Mr. McNARY. Mr. President, in this connection I desire to say that I think it is a very bad practice to offer a letter for the RECORD, at the same time withholding the name of the author. It is not fair to the Senate, it is not fair to the public, and it is extremely unfair to those against whom charges are made. I desire to say that hereafter, if request is made to have a letter go in the RECORD, I shall object to it unless the author's name is disclosed and accompanies the charge.

Mr. BLACK. Mr. President, I simply desire to state that in offering the first letter I made the specific statement that the writer had requested that his name be not published. The Senator from Oregon, of course, had a right to object then. Feeling as he does, I think he should object whenever such letters are offered in the future. I shall be very glad, however, to permit the Senator from Oregon or any other

Senator, because I know that no Senator would expose a writer's name where it might do injury, to see the letter in question or any other of the numerous letters on this subject I have in my files from employees throughout the United States.

RELIEF OF AGRICULTURE

The Senate resumed consideration of the bill (H.R. 3835) to relieve the existing national economic emergency by increasing agricultural purchasing power.

The VICE PRESIDENT. The question is on the amendment of the Senator from Colorado [Mr. COSTIGAN].

Mr. VANDENBERG. Mr. President, I wish to address a further question to the Senator from Colorado in respect to his sugar amendment. I call his attention to the fact that on page 15 of the bill the provisions of this proposed act do not apply to certain possessions of the United States, and I am wondering whether that invites a free sugar competition from our insular possessions, which would make his amendment represent a handicap rather than an advantage to the American production?

Mr. COSTIGAN. Does the Senator refer to subdivision (f) on page 15?

Mr. VANDENBERG. Yes.

Mr. COSTIGAN. May I also ask whether the Senator's question relates to the bill as a whole or to the proposed amendment?

Mr. VANDENBERG. I am asking particularly respecting the Senator's amendment, because if Philippine sugar is free of the increased processing tax, manifestly a disadvantage would have been created against the continental situation by the Senator's amendment. It is the first time the point has come up. I think it would also apply to rice. I think it might be a very serious matter in respect to rice. I am wondering if the Senator has given any consideration to that point in respect to sugar.

Mr. COSTIGAN. May I say in answer to the Senator from Michigan that it has been my assumption that the processing tax would apply to imported sugar, even from the Philippine Islands. If there is any doubt on that question it should be corrected by an amendment.

Mr. VANDENBERG. As the Senator reads subsection (f), does he not think that his assumption was without foundation?

Mr. COSTIGAN. There may be a point in the Senator's suggestion, though it has not impressed me.

Mr. VANDENBERG. Would it not also apply to competition that exists between vegetable oil from our insular possessions and domestic dairy by-products?

Mr. COSTIGAN. Certainly, if covered by the bill; and such a variance would cause a disadvantage to the domestic industry which ought to be clearly obviated. In other words, it was my view last night—and further examination of the statute has confirmed the impression—that it is not accurate to speak of any tax imposed in this bill as in the nature of a tariff. The evident purpose of the bill is to place the imported article and the domestic article on a parity. That purpose ought to be maintained. I assume that it has been maintained.

Mr. VANDENBERG. May I ask the Senator from South Carolina [Mr. SMITH] for his interpretation of the situation we are now discussing? It is a new point that has been raised. Would it not apply to rice? Would it not apply to vegetable oils? Would it not create a differential or disadvantage to the American producer at each point where a Philippine commodity enters either by way of direct or substitute competition?

Mr. SMITH. Unless the same rule applied to the Philippine production that does to American production, it seems to me it would act to the advantage of the Philippine producer rather than the American producer.

Mr. VANDENBERG. What is the Senator's interpretation of subsection (f), at the top of page 15? Are not the Philippine Islands entirely exempted, in respect of all products, from any phase of the bill?

Mr. SMITH. I think that is unquestionably true.

Mr. VANDENBERG. Then, should not the Philippine Islands at least be removed from this list of exemptions? Why should any territory under the American flag be exempted? Why should we not all live under a common rule?

Mr. SMITH. That is a matter which will have to be decided by the Senate. Of course, the Senator recognizes that the committee had the bill for a considerable time, but that feature of it was not discussed as far as I recollect. I do not think that feature was discussed in the committee at all. But if we allow importations from those islands to come in as of now and then put a processing tax on the things produced here, of course, it is obvious to all that the advantage would be with importations from those islands.

Mr. VANDENBERG. I suggest to the Senator from Coloradio that it would scarcely seem wise to vote upon his amendment until we can have some assurance that the back door is not going to be open after we have adopted his amendment.

Mr. COSTIGAN. I agree with the Senator from Michigan that it would appear under this language that competition in any of the excepted territory would be stimulated to the disadvantage of American industry. I took occasion last night to confer with the office of the legislative counsel on this subject. Their view, like mine, was to the effect that the processing tax in any event would apply to the imported article. If that is not true, then in my judgment this subdivision should be stricken.

Mr. VANDENBERG. The processing tax certainly is one of the "provisions of this title", reading from the exemptions in subsection (f).

Mr. COSTIGAN. The real purpose of the exception, I think, was doubtless to guard the duty-free imports from the Philippine Islands. In line with what I stated in answer to the first question of the Senator from Michigan, duty-free imports are not interfered with by the bill because the processing tax is a domestic tax. It is not a tariff. It is an excise tax applicable to all articles enumerated as basic which are sold in the United States, produced or imported. It seems to me appropriate to consider further whether this subdivision should be stricken.

Mr. McNARY. Mr. President, will the Senator from Michigan yield?

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

Mr. VANDENBERG. I yield.

Mr. McNARY. The Senator from Michigan has raised a very important question, but I invite his attention to subdivision (e) of section 15, found on page 21, particularly lines 7, 8, and 9. Will not the Senator see if that does not cover the situation?

I also direct the inquiry to the chairman of the committee. I think that the compensating tax on articles produced in the possessions would put them on a parity with the domestically produced commodities and prevent the harm and disadvantage to which the Senator from Michigan a moment ago directed our attention.

Mr. VANDENBERG. I ask the able Senator from Oregon to read subsection (e) on page 21 in conjunction with subsection (f) at the top of page 15. Subsection (e) is a part of the same title as subsection (f), and subsection (f) says that "the provisions of this title shall be applicable to the United States and its possessions, except the Philippine Islands", and so forth.

Mr. McNARY. Yes; I have read that.

Mr. VANDENBERG. Does not that take subsection (e) on page 21 out of application to the Philippine Islands, the Virgin Islands, and so forth?

Mr. McNARY. No; I believe not.

Mr. SMITH. May I call the Senator's attention to the fact that in lines 4 and 5 it is provided that the processing tax shall be "paid upon any article processed or manufactured wholly or in chief value of such commodity and imported into the United States or any possession thereof to which this title applies", and so forth. Now this title

does not apply to subsection (f) because it is eliminated. Therefore the title cannot apply to it. It is specifically eliminated. It does apply to all that are not specifically exempted, so that we have a confusion here in the two sections.

Mr. McNARY. I do not think the confusion is as great as indicated by the distinguished Senator from Michigan and the able Senator from South Carolina. Subsection (f), on page 15, says that provision shall be applicable to the United States and its possessions and then eliminates or excepts several possessions. That is true; but on page 21, where the compensating tax is mentioned, it includes products in foreign countries and in our possessions, and makes those products when brought into the United States subject to the same tax as products domestically produced. I think there can be no confusion about that matter.

Mr. VANDENBERG. Then it would be the interpretation of the Senator from Oregon, for example, that if beet sugar and cane sugar were included in the basic commodities, then equivalent processed commodities from the Philippine Islands would have to pay the compensating tax defined on page 21?

Mr. McNARY. Yes. If not, it should be made definite and certain, because it would be a very distinct advantage to permit the introduction and importation of such products into this country in competition with those who have to pay this tax.

Mr. SMITH. May I ask the Senator this question: If we put this tax on the importation of Philippine commodities without granting them the same benefits that accrue to the producers here, we have penalized them, in contravention of our understanding with the Philippine Islands. If we tax them equal to the tax here for the benefit of the sugar grower, we are putting on a tariff directly in favor of the American producer.

Mr. VANDENBERG. The Senator is entirely correct. I interpret the remarks of the Senator from Oregon to mean that we take all the benefit and give none under the terms of the bill.

Mr. McNARY. That is exactly true.

Mr. TRAMMELL. Mr. President——

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

Mr. VANDENBERG. I yield.

Mr. TRAMMELL. I want to say in reply to the statement made by the Senator from Michigan that a reading of subsection (e) on page 21 does not convince me at all that it would apply to the Philippine Islands. A reading of subsection (e) on page 21 seems to me to demonstrate that it is for the purpose of taking care of importations that may come from any country, and then to be sure that importations which come through the American possessions shall also be subject to the processing tax it is provided that such importations as may come from those possessions, the Philippines and other possessions, shall pay a compensating tax. But that does not conflict with the other subsection on page 15, which provides that the Philippine Islands shall not be included. Subsection (e) takes care of the question of importations from any country.

In view of the fact that we have applied the processing tax to the Philippines, it is provided that the compensating tax shall not apply to commodities imported from the Philippines. As I take it, that means that products that may be carried into the Philippines and processed in the Philippines would then be subject to this tax. But it still does not in terms reach out and take in the commodities that are the production of the Philippine Islands. My idea of it is that, construing the two paragraphs together, the Philippine products can come in absolutely free of any process requirements.

Mr. VANDENBERG. Mr. President, we are assured by the authors of the bill that that is not contemplated. I suppose, for the time being, we shall have to rest upon that assurance; and then, in the course of the day, it seems to me that the apparent discrepancy between subsection (f), on page 15, and subsection (e), on page 21, should be very definitely made plain in respect to the interpretation that has been given us by the Senator from Oregon.

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

Mr. VANDENBERG. I yield the floor.

Mr. FRAZIER. At the bottom of page 10, in section 9, subsection (a), lines 23, 24, and 25, the bill reads:

> The processing tax shall be levied, assessed, and collected upon the first domestic processing of the commodity, whether of domestic production or imported, and shall be paid by the processor.

I think that would include importations from our own possessions.

Mr. VANDENBERG. My point is that the language at the top of page 15 is a general exemption in respect to the entire balance of the title.

Mr. SMITH. That is true.

Mr. VANDENBERG. And that general exemption includes the Philippine Islands. Now, it is claimed that the language on page 21, by a process of tortuous interpretation, which I hope may not require us to fall back on some of the Department of Agriculture's "hogarithms", clears up the situation. Certainly, there must be no doubt left upon the subject.

Mr. SMITH. Mr. President, to my mind it is perfectly clear that the provision on page 15, unless there is some amendatory action taken, exempts the Philippine Islands and the islands enumerated in that section from the operation of the tax that will apply on all importations from foreign countries. It cannot be any plainer than it is; and, the subsequent section on page 21 to the contrary notwithstanding, it only provides in general terms for importation, and includes possessions; but we have exempted by specific language certain possessions of the United States that shall not pay the tax. Then we come to the difficulty that if they do pay it, it is tantamount to putting a tariff on the importations from these islands, unless we provide that the producers of these commodities shall receive the same benefit for paying the tax that the domestic producer does.

Mr. COSTIGAN. Mr. President, on fuller consideration I think it proper to say to the Senator from South Carolina [Mr. SMITH] that as I now read the bill, subdivision (f), on page 15, exempts from the processing tax the Philippine Islands. It does not, however, if I understand the bill, exempt imported sugar from the provisions of subdivision (e) on page 21, because, as stated on line 8, "this title does not apply."

If the able Senator from South Carolina will further examine the bill, he will doubtless be satisfied that it is unnecessary, in order to give parity to domestic and imported sugar, to change the bill, because a compensating tax equivalent to the processing tax will be levied under the last-mentioned provision. The difference under the bill between the Philippine Islands and excepted possessions of the United States and the continental United States is with reference to increased benefit payments. These apparently are to be made only within the United States as defined. That, however, is not unusual, because we are frequently under the necessity to appropriate revenues to meet limited needs. The question before us is whether we are discriminating between Philippine imports and domestically produced commodities. That we are not doing, if I correctly read the bill.

Mr. SMITH. Let me understand clearly the point the Senator from Colorado is making—that the processing tax which shall be levied and collected for the benefit of the sugar producers in continental America shall not be applied to the Philippine Islands, but the commodity that is imported from the Philippine Islands to America shall pay the compensating tax?

Mr. COSTIGAN. That is my interpretation of the bill as it is now drafted.

Mr. SMITH. Mr. President, that interpretation, of course, is in accord with the text; but the point I was making was that we would then in effect put a tariff duty on the importations from the Philippines to protect the advanced price of American sugar. Of course, if it seems

that that could be the interpretation made here, it would be tantamount to levying a tariff against importations from the Philippines to measure the processing tax that we apply.

Mr. COSTIGAN. Mr. President, my view of the subject differs from that of the able Senator; and apparently he did not understand the construction I was attempting to give the bill. It is my understanding that a compensating tax would be placed upon the imported sugar equal to, and not exceeding, the processing tax imposed on the domestic sugar. The articles would continue to come in from the Philippine Islands duty free. The purpose of the compensating tax would be to equalize and not do more than equalize the processing tax in the United States. The sugars, imported and domestic, would reach the market on a parity. If so, it is not fair to speak of the tax as a tariff hindering imports of Philippine sugar.

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

Mr. COSTIGAN. I ask for the yeas and nays.

Mr. ROBINSON of Arkansas. Mr. President, I do not believe it is sound policy to include sugarcane as a basic commodity in this bill. I do not believe that sugarcane bears that relationship to the subject matter of the legislation; and it is readily conceivable, if we recognize sugarcane as a basic commodity, that many other commodities will enjoy the same right of recognition.

I repeat, while this amendment comes from my friend the Senator from Colorado [Mr. COSTIGAN], who is in favor of the bill, most of the proposals of this character come from those who avow themselves in opposition to it; and if the friends of the bill are going to permit an indefinite number of commodities to be defined as basic commodities, then the measure will become impossible of administration.

What is the meaning of the term "basic commodity"? I take it that the expression "basic" carries its own significance. It means fundamental, primarily essential as a part of the agricultural industry. While of course in one sense every agricultural commodity that the country produces is necessary, still I do not believe that this commodity ought to be incorporated; and if it is incorporated I think we are inviting a flood of amendments here, and an increase in the number of basic commodities.

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

Mr. ROBINSON of Arkansas. Certainly.

Mr. BLACK. May I ask what effect it would have on the present tariff on sugar if this amendment should be adopted?

Mr. ROBINSON of Arkansas. That is a subject that has been discussed. Some have expressed the opinion that it would result in unfair discrimination against domestic producers. Others have expressed the very contrary opinion. I do not know; and that is another reason for not including this as a commodity.

Mr. BLACK. Under the terms of the bill, does it not require, if sugar shall be included, an additional imposition?

Mr. ROBINSON of Arkansas. That is a question that has been discussed some 30 minutes, and no conclusion has been reached about it.

Mr. BLACK. I was not here during the discussion.

Mr. ROBINSON of Arkansas. One very able lawyer has maintained that a compensatory tax must be levied against sugar imported from certain possessions of the United States, including the Philippines, under the terms of this bill. Other Senators have taken directly the contrary view.

Mr. BLACK. What about sugar imported from other than the possessions of this country?

Mr. ROBINSON of Arkansas. They would have to pay the tax.

Mr. BLACK. They would have to pay an additional compensatory tax, over and above the tariff that we have at the present time?

Mr. ROBINSON of Arkansas. Yes.

Mr. NORRIS. Mr. President, I had intended to participate further in the debate; but we have now progressed so far that we have commenced what was done in the committee—the pastime of putting a lot of other basic commodities in this bill.

I have not any doubt but that all of us are acting in the best of faith. I never saw a committee more anxious to solve a difficult problem as nearly as they could solve it than were the Agricultural Committee when they were considering this bill.

I think it must be admitted that if we put every agricultural product in this bill, we shall make a farce of it. It is going to be difficult to administer under any conditions. There is doubt even as to whether, under the very best of conditions, it can be made to work. It seems to me that we must admit that it is an experiment. It is one that I think we are justified in making. However wise anyone may pretend to be, I do not believe anybody can tell in advance just how it is going to work out. We are justified in passing such legislation only under the most desperate conditions, and such conditions, I think it is admitted by all, prevail now in our country and perhaps in the whole world. I have believed from the beginning that we ought to confine the basic agricultural products to just as few in number as possible. I thought that if we confined the basic products to wheat and cotton, we would by that means cover practically the entire country, and would enable the Department to carry out the law, and if it succeeded—and we all hope that the Department will succeed in the administration of it—if we wanted to later, we could extend it to other crops.

One reason why we ought to confine the bill is the very nature of the different kinds of commodities. It seems to me that it will be impossible to apply the law to some of them and make it work. The uncertainties, the ramifications would make it exceedingly difficult.

I wanted to strike out hogs and corn, although they are the main products of my State and my section of the country. It seemed to me that we could try the law best on two dominating, Nation-wide agricultural products. If we succeeded in raising the price of wheat, naturally the prices of all other agricultural products of a food nature would follow. The prices of them would come up automatically. There are reasons why it should apply to wheat and cotton. They are both produced in this country very much in excess of what we can consume, and we always have bothersome and troublesome surpluses on our hands. One of the things that has bothered us, that has stood in the way of any successful legislation on the agricultural question, has been the question of the surpluses.

In the last Congress we voted to strike everything out of a similar bill except wheat and cotton, and I think we were right in that. When the committee had referred to it the pending bill, it contained some things which it seemed to me ought to be left out. I see no reason why we should put rice in, for instance. I want to take out hogs and corn, although if we raise the price of one of those products, it will have a direct influence on the price of the other. The Secretary of Agriculture, in a conference I had with him about taking out corn and hogs, expressed the belief that it would work as to corn and hogs, and that he wanted those items left in the bill. He did not want to go any farther. He thought there might be ways under the law by which he could apply the law to hogs and corn.

I can see that as to hogs, for instance, there would be an opportunity of doing some good. At least, it is worthy of trial, and I understand serious consideration is now being given to a provision in the bill which would permit the Secretary of Agriculture to enter into contracts with processors without the levying of the processing tax, and put the proposed law into operation.

I can conceive how a contract might be made with the large packers by which they would agree, for instance, to pay 6 cents a pound for hogs. There is a provision in the bill for reaching such an agreement. If enough of them went into it to accomplish that, I should like to give them an opportunity to try it, to see whether that would not automatically raise the price of hogs, because all other buyers would have to meet the price that was made and offered by

those who had entered into the agreement. If a sufficient number entered into it, I am rather inclined to think it would work. So that is a provision in the bill which might operate.

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

Mr. NORRIS. I yield.

Mr. KING. In view of the statement just made by the able Senator, that the question is being considered now of making contracts directly with the packers or others for the purpose of avoiding the imposition of the tax, does not the Senator believe that that, however, would be a condonation or ratification of the efforts which will be made to violate the Sherman antitrust law? It would seem to me that the processors having a contract with the Government that they were to do certain things could then justify claim, and certainly could under the provisions of the law, that they could enter into a combination to increase prices, and lift them so high as to be extortionate.

Mr. NORRIS. Mr. President, I frankly concede that unless it were properly handled there would be evil in it; but this contract would be, in effect, a contract with the Government of the United States. If sufficient numbers of packers of meats entered into such a contract with the Government of the United States, and carried out the contract, which I think we will all have to concede the Secretary would be honest in making, all others would have to pay the price agreed on. The Secretary would not make a contract that was unreasonable, but if he wanted to raise the price of hogs to 5 or 6 cents a pound, and he entered into a contract with those who bought the hogs for slaughter and succeeded in making a contract with enough packers to do that, and they carried out the agreement, everybody else would have to pay the same price for hogs in order to get them.

There possibly ought to be a provision in the bill—and I have been told such an amendment is to be offered—which would provide that any corporation or individual entering into such a contract with the Government would be exempt from the operation of the antitrust law. If it were wide open, and they were permitted to enter into any kind of a contract, then the danger which the Senator from Utah points out would be apparent. But this contract is to be made with the Government of the United States. We will have to have faith enough and confidence enough in the Government of the United States to believe that it would not make a contract that would be unjust. Provision is in the bill now for the making of such a contract. I do not know whether such a contract can be brought about. If it could be, I think it would be a very important benefit to agriculture.

Mr. President, what I am relating is the result of a talk I had with the Secretary of Agriculture in my office. There was no secret about it, however. There was nothing covered up about it, so that he cannot have any objection to my stating what I have stated. It will be a perfectly honorable thing to do if the law shall be passed, and it will be a perfectly legal thing to do. That probably explains why we ought to leave such a thing as hogs in the bill. At least after the Secretary assured me that he wanted corn and hogs in the bill, and thought he might be able to do something with one or both of those commodities, I withdrew my objection, as far as I had any, to the inclusion of hogs and corn.

Mr. President, we had in the committee this situation. We put in this article, we put in that article, we put in the other article, we got a lot of them in, and we were not through putting them in. I think we had flax in. We were about to put beans in. We had peanuts in already. It became apparent to all of us that our bill was going to be a farce if we put everything in, that it was going to be unworkable. While the Secretary would not be compelled to take action on all the different commodities, nevertheless he would be under such pressure from all over the United States, from the producers of all kinds of farm products, to apply the law to them, that it would be irresistible, and I think the committee saw where we were going. So we took out all except those which were in when the bill came to the Senate, and I think we ought to have taken some of those out.

Now we have put in peanuts. I am not one who wants to ridicule that item. A great many people think of peanuts with the idea of ridicule, and that will have some psychological effect to the detriment of this proposed law if peanuts are left in. But I am not one who ridicules peanuts. A careful study of the peanut industry, I think, will convince anybody that in rather large sections of our country that is the principal agricultural product. It is a good agricultural product. It is one of the finest food products produced. I do not want to belittle it, and I am not trying to do that. But we put that item in.

Now come proposals to put in sugar beets and sugarcane. Do Senators know what will happen if we put those in? Will not the flax men make an effort to put flax in? Why would we not put flax in? Will not the beans men have a proposition to add beans? Will not the cattle and sheep men also demand that those products come in? They are out now. Will not a lot of other products be put in? What is the justification for voting against one and voting for another of these various products?

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

Mr. NORRIS. I yield.

Mr. COSTIGAN. The gifted Senator from Nebraska represents one of the large sugar-beet-raising States of the country. I desire to ask him whether he is not concerned over reports in the press, one of which appears this morning, another of which I placed in the RECORD yesterday, indicating that there is an elaborate plan on foot to limit the production of sugar, both here and in Cuba, and through the marketing provisions of the law change the relations of sugar producers; also whether, if he is concerned, he does not think it desirable that a commodity subject to such a program should have assured to the growers the return of the moderate price, as in the case of other commodities, which prevailed in the years from 1914 to 1919?

If I may further interrupt, will the Senator be good enough in this connection to discuss the provisions for marketing found in subdivision 2, on page 7 of the bill, which apparently are made applicable to any agricultural commodity or product thereof?

Mr. NORRIS. Mr. President, I do not happen to have a copy of the bill before me. I had not intended to discuss any particular provision of the measure. That was not the purpose of my remarks. To begin with, when it comes to sugar and its price and a general knowledge of the subject of its production, I take my hat off to the Senator from Colorado [Mr. COSTIGAN]. In my State there is a large quantity of sugar produced. The Senator from Colorado for many years was a member of the Tariff Commission.

In my judgment—and I say this without looking at him, and I hope he will not hear it—he was one of the best members the Tariff Commission ever had. He has made an intimate study not only of sugar but of a great many other things. I dislike more to disagree with the Senator from Colorado on the question of sugar than I would with any other Senator, because of the respect I have for his opinion, formed after many years of intelligent study of the question; but if his amendment should be put into the bill I do not believe the Secretary of Agriculture would apply it to sugar beets and sugarcane. I do not want to "pass that buck" to the Secretary; I want to take some of the responsibility myself; I want to relieve him of it.

Mr. CLARK. Mr. President——

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

Mr. NORRIS. I yield.

Mr. CLARK. I have been very much interested in the Senator's remarks about basic commodities being included in this bill, and I should like to ask him on what principle the committee arrived at these basic commodities? In other words, on what principle rice was included and peanuts and sugar excluded, or on what principle hogs were included and cattle and sheep excluded? Of course, I am opposed to the bill; I think it is bad in principle, and my own notion

is that it is going to prove another Farm Board fiasco, and in an exaggerated degree, but the principle on which I have been acting in this matter was to vote to allow any commodity to be included that wanted to be included and any commodity to be excluded that desired to be excluded. I should like to know on what principle the committee acted in making up the list of basic commodities?

Mr. NORRIS. Mr. President, in my humble judgment, in putting in rice, for instance, I do not think the committee acted on any principle; it was merely arbitrary. No matter what we put in, it is more or less arbitrary; I realize that. If the bill should be confined to the basic products of wheat and cotton, that would be an arbitrary decision. I concede that. I am acting and voting all the time on the theory that we are justified in making an experiment to meet a desperate situation. Cattle and sheep were excluded by vote of the committee. As I felt then, I would have voted to exclude everything except wheat and cotton. There was only one reason that moved me in that regard, and that was I wanted to confine the measure to as narrow a limit as I could, and I thought those two commodities covered the entire country. Whether that reason is good or not, it was my reason, and that is the way I looked at it.

Mr. CLARK. I can see the reason for trying an experiment, which this whole proposal frankly is, with two basic commodities, wheat and cotton; but when we begin to go beyond that and take in this commodity and that commodity, it seems to be an absolutely arbitrary determination. Where should the line be drawn? In other words, why did the committee include rice and not include sugar; why did they include hogs and not include sheep and cattle, except on the principle that the producers of some commodities wanted them included and others desired their commodities to be excluded?

Mr. KENDRICK. Mr. President——

Mr. NORRIS. Just a moment. Let me first answer the Senator from Missouri; indeed, I had not finished answering the inquiry of the Senator from Colorado when I was interrupted.

Mr. CLARK. I did not mean to interrupt the Senator from Nebraska.

Mr. NORRIS. I am not objecting to interruptions, because I am not seeking anything except to try to get, from my viewpoint, a bill that will be as nearly practicable as possible. I shall yield to the Senator from Wyoming a little later if he will permit me to go on.

Mr. KENDRICK. Very well.

Mr. NORRIS. I do not think rice ought to be included in the bill, and I will vote to strike it out. I think it never ought to have been put in. I realize the importance of the rice industry; I do not want anybody to get the idea that I think it is small and that it is not worthy of consideration; but we are starting out on a vast program, moved to do so by the terribly desperate condition in which we find agriculture. We want to do something; it may be that we shall fail; we must realize that, to begin with. However, I had rather go down fighting, Mr. President, to save the country and to save agriculture than to go down with my hands folded; and that is the only excuse I have for supporting this bill.

Those who are going to enforce the bill, in my judgment, are moved by the best of faith. They realize their difficulty, and I think we add to the difficulty when we multiply the commodities to which the provisions of the bill are to be applied.

Suppose we should raise the price of wheat by enacting this bill; suppose we should raise the price of cotton by doing so; does not everybody know that the price of corn and hogs and cattle and sheep and flax and every other farm product would automatically go up in sympathy with the incerase in the price of these two principal nation-wide commodities? My argument may not be good; it may not appeal to the Senate; but it is the thing that appeals to me. I am against loading this bill down. I should like to reconsider the vote by which peanuts were included in the bill, and take them out.

Mr. CLARK. Mr. President, I am in entire accord with the Senator from Nebraska in the matter of trying this experiment with respect to basic commodities, but when it is proposed to go beyond cotton and wheat, where are we going to stop?

Mr. NORRIS. That is the question; I admit that; I am trying to stop the Senate from going any further.

Now, I wish to say if we vote, for instance, to put sugar beets and sugarcane in the bill, I do not see any argument against putting in flax or beans or restoring cattle and sheep.

There were some peculiar reasons in the case of cattle and sheep. I want to say frankly they did not appeal to me very much, but the sheepmen and the cattlemen were almost unanimous in trying to keep cattle and sheep out of the bill; and, like the Senator from Missouri, I did not want to put any commodity in the producers of which wanted to be kept out. So I was very glad that they wanted to keep sheep and cattle out, and I wanted to relieve them. That may not be logical, but that is the plain truth, so far as my vote was concerned and so far as my influence, what little I had in the committee, was concerned. I should like to keep them out.

I realize that, having put peanuts in, no logical argument can be made why we should keep sugar beets and flax and beans and oats and barley out. I concede that frankly. I think we have made a mistake. I do not want to make another one.

I have been told by a Senator who is interested in the peanut matter that he proposes to make a motion to reconsider the vote by which peanuts were included in the bill. I hope that will be done. If we proceed now to put all these commodities in we will reach, I think, the condition in which the committee was when it put everything in and kept nothing out, and we will be in almost a ridiculous position. That is the reason why I feel constrained to vote against putting in sugar beets and sugarcane. If it goes on, we are going to take another step and put something else in, and I think I would be justified in voting to put anything else in that anybody wants to put in. I now yield to the Senator from Wyoming.

Mr. KENDRICK. Mr. President, in answer to the inquiry made by the Senator from Missouri [Mr. CLARK] as to why cattle and sheep should be excluded from the bill I will say the primary reason is the perishable character of the commodities. The record is perfectly clear on that point, and there is no question that the extreme limit of time which may safely be employed in moving these commodities from the processor to the consumer is about 9 days. After that deterioration of the product begins and within another day or two the commodities must either be consumed or destroyed. Another compelling reason is found in the fact that the producers of cattle and sheep, almost without exception, are strongly opposed to the inclusion of their commodities in this bill. On this point I agree with the Senator from Missouri [Mr. CLARK] that the law should apply only to those commodities the producers of which desire to enjoy the benefits of the bill.

Everybody knows two things about the bill; first, it is highly experimental, and there will be increased delays occasioned by the Government's administration of the movement. It follows, necessarily, that perishable commodities are less adapted to such legislation than those that are nonperishable. It is my conviction that the plan first considered, to include only wheat and cotton in the bill, would have provided an experiment with many more possibilities of success than are to be found in a plan of numerous commodities, of which at least some are perishable.

As suggested, I have received telegrams from all over the western country, from livestock associations large and small and from producers large and small, and practically every message has protested against the inclusion of cattle and sheep in the bill. Therefore, to involve these commodities against the wishes of the producers is not only unfair but because of their perishable character it is equally unsafe.

And, finally, it is unnecessary to impose such a penalty upon producers in the guise of a relief bill.

Mr. CLARK. Mr. President, will the Senator from Nebraska indulge me just a moment?

Mr. NORRIS. Let me finish, Mr. President; I will be through in just a moment; then I will yield the floor and the Senator may discuss the question in his own time.

I concede that the questions propounded to me by the Senator from Missouri [Mr. CLARK] are perfectly proper questions. I have answered them all according to my light, except one, and I have partially answered that one. I want to answer it more fully, and then I am through. I refer to the suggestion with regard to hogs and corn.

As I said in the beginning, I started out opposed to putting hogs and corn in the bill, and the only reason why I would vote against taking hogs out now is because of the possibility under this proposal of an agreement for which the bill provides. I have not talked with the Secretary as to whether or not he has been working on the agreements provided for, and I may be misinformed about it; but I am advised that there is strong probability of the Secretary's being able to make an agreement with a sufficient number of packers in the United States so as automatically to raise the price of hogs to the farmer, and that without any processing tax or anything else. If that is a possibility, I would not want to deprive the Secretary of Agriculture of the right to make such agreement. He wants both corn and hogs in the bill, as he stated in his testimony.

Mr. LONG. Mr. President, I rise to a parliamentary inquiry.

The PRESIDING OFFICER (Mr. POPE in the chair). The Senator will state it.

Mr. LONG. I inquire if the pending question before the Senate is the amendment offered by the Senator from Colorado [Mr. COSTIGAN]?

The PRESIDING OFFICER. That is the question now before the Senate.

Mr. LONG. I just entered the Chamber a little while ago. Let me inquire of the Senator from Nebraska if he has been speaking on that amendment?

Mr. NORRIS. I have.

Mr. LONG. I hope the Senator has been speaking in favor of it?

Mr. NORRIS. No; I spoke against it.

Mr. LONG. Mr. President, I have been unable to understand a great deal of the logic of those behind the pending farm bill. I have wanted, if possible, to vote for it; but it has been exceedingly difficult to figure out a way by which I could justify any spark of conscience and record my vote in favor of this proposed farm legislation, if it may be called farm legislation. But, Mr. President, if this proposed legislation is to be fair and just and is to be administered in that spirit, I fail to see why the product of the cane farmers and the beet farmers should be excluded.

I wish to say for the benefit of the Senate that there is not a set of farm workers on the face of the earth who have received as meager a pittance for their labor from sun-up to sun-down and after sun-down and before sun-up as the sugar farmers of the State of Louisiana and, I believe, the beet farmers of the West.

Mr. President, if you have ever seen the work you know that it is the most laborious work done on the face of the living earth. Thousands and tens of thousands of poor devils have labored on the farms under the niggardly tariff we have had here, drawing all the way from 30 to 50 cents a day, sometimes as high as 60 to 75 cents a day; but even in the good times, when there was prosperity among the western farmers, the cane workers of the State of Louisiana have received wages not to be compared with the wages that have been enjoyed in the other agricultural enterprises of the country.

If we are going to penalize the cane farmer and the beet farmer, let us hesitate before we do so. We have already put peanuts in the bill almost by unanimous vote. The condition of those who have been thriving through the raising of peanuts certainly has never been as bad as the condition of those who have had to compete with free sugar brought here from the Philippine Islands. Something has been said about penalizing the sugar farmer because of the tariff. But Senators have forgotten that for many years we have been placed absolutely on a parity with the sugar that comes from the Philippine Islands and that sugar importation has increased year by year to such an extent that, if we do not free the Philippine Islands or do something else to relieve the situation, there will be no such thing in the next few years in the United States as domestic sugar business. There is no justification on earth for leaving out the beet farmer and the cane farmer, particularly if we are going to include peanuts in the bill. I submit as a matter of fairness that there are more farmers affected by the domestic production of sugar in the United States today than are involved in some of the other products included in the bill.

Frankly, I wish to make this confession: I do not think the farm bill will work. That is one time I agree with the author of the bill, or at least the nominal proponent of the bill. The Senator from South Carolina [Mr. SMITH] and I have not agreed for a long time, but this is one time that I think we agree. I do not think this bill will work topside or bottom. I think it has in it some of the most foolish provisions I ever saw in legislation, either proposed or enacted. But the President says it is an experiment, and that is the basis on which many of us are trying to justify our votes in favor of the bill. If it is any good at all, Mr. President, do not leave the beet and cane people in the rain. If this is a decent bill, if there is any chance under the living sun for it to work out, then we cannot go back to the people raising beets in the West and cane in the South and tell them there is any justification for having left them in the rain, when they have not enjoyed much of the prosperity that many other agricultural interests have enjoyed in what were called the semiprosperous times.

Mr. BANKHEAD. Mr. President, I want to make a very brief statement about the sugar amendment. The amendment is absolutely inconsistent with the policy and purpose of the bill. In section 2, page 2, it is declared to be the policy of Congress "to establish and maintain such balance between the production and consumption of agricultural commodities, and such marketing conditions therefor as will reestablish prices" and so forth. While, of course, it is encouraging to those who are supporting the bill to find the representatives of so many commodities anxious to come within its provisions, and while that fact clearly manifests the judgment of their representatives here, or at least the ratification of the will of the wishes of their constituents by them, that the bill will be helpful, still I hope that the bill will be held within reasonable limitations in the matter of the commodities to be included within its provisions, notwithstanding the great anxiety of Senators who are protesting the efficiency and effectiveness of the bill to get the products of their constituents within its terms.

As to the sugar question, I am informed that only about 25 percent of the sugar consumed in America is produced in America. The balance is imported. Therefore, it is impossible to deal with the question of sugar under the declared policy of the bill, to establish and maintain a balance between production and consumption in an effective way.

Mr. COSTIGAN. Mr. President——

The PRESIDING OFFICER. Does the Senator from Alabama yield to the Senator from Colorado?

Mr. BANKHEAD. I yield for a question.

Mr. COSTIGAN. Is the Senator informed as to the plans of the Department of Agriculture, which have received considerable newspaper publicity, to establish a quota system with respect to sugar under the provisions of the bill?

Mr. BANKHEAD. I know nothing about any plans about a quota; but I know that unless sugar is brought under the terms of this bill by the Senator's amendment the Department will have no control over the subject under the provisions of the bill.

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

The PRESIDING OFFICER. Does the Senator from Alabama yield to the Senator from Maryland?

Mr. BANKHEAD. I do.

Mr. TYDINGS. I should like to ask the Senator from Colorado [Mr. COSTIGAN] whether or not, in addition to his other powers, it is proposed to give the Secretary of Agriculture the power to raise and lower tariffs or to effect embargoes under this bill.

Mr. BANKHEAD. I do not care to yield to a Senator to ask questions of other Senators. I want to come to the point which the Senator from Maryland, with his clear mind, has gone directly to.

There are only two ways under this bill, except through agreement, by which a commodity may be benefited. One of those ways is by a reduction in acreage or production. Of course, neither the Senator from Colorado nor anyone else has any desire to reduce the production of sugar in America.

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

The PRESIDING OFFICER. Does the Senator from Alabama yield to the Senator from Colorado?

Mr. BANKHEAD. For a question only. I do not care to yield for a debate.

Mr. COSTIGAN. May I say to the Senator that the proposed quota arrangement with respect to acreage evidently contemplates precisely what the Senator has in mind? There is in prospect, as we are advised by the press, under the marketing provisions of the bill, a plan to attempt to raise the price of sugar by limiting the amounts of sugar which may be brought into this country, not only from our own possessions but also from Cuba, and the amount which may be produced in the United States.

Mr. BANKHEAD. Mr. President, it ought to be perfectly clear to the distinguished Senator from Colorado that the production in America of sugar or any other commodity cannot be decreased under the provisions of this bill except by consent of the producer.

Mr. LONG. Mr. President, will the Senator permit me to ask him a question?

Mr. BANKHEAD. Certainly.

Mr. LONG. Is it not the purpose of this bill to raise the commodity price of the farmer's product? Is not that what we are trying to do—to give the farmer a living out of what he raises? Is not that what we are after?

Mr. BANKHEAD. There is no difference between the Senator from Louisiana and myself upon that subject.

Mr. LONG. All right. Our poor man raising sugar has his back absolutely broken. He is worse off today——

Mr. BANKHEAD. I do not want to engage in an argument; but the Senator ought to know that under sugar conditions, the only way to raise the price of sugar is to raise the tariff on sugar; and this is not a bill intended primarily to deal with the tariff problem, except so far as the compensatory features apply.

Mr. TYDINGS. Mr. President——

Mr. LONG. That is one way to help, and I have been trying to tell the Senator from Alabama that, but I have not received a very responsive accord until now. The conversion has come too late for the sugar tariff.

Mr. BANKHEAD. I have not declared for any sugar tariff. Do not let the Senator's mind get confused on that subject.

Mr. LONG. I did not understand the Senator. I was just hoping that the Senator had, perhaps.

This tax is going to raise the price of the commodity. Does the Senator know of any reason why our sugar farmers of the West and of the South are not entitled to just as much consideration in this measure as the rice farmers or the cotton farmers or the wheat farmers? Why are they separated?

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

Mr. BANKHEAD. Yes; I yield. I will answer the Senator from Louisiana when the Senator from Maryland gets through. I yield to the Senator from Maryland.

Mr. TYDINGS. I desire to ask the Senator—though his remarks make my question almost unnecessary—whether he does not recall that agricultural products are one third of our entire exports at the present time and have been since the World War. We export about a billion and a half dollars' worth of agricultural products a year, under normal conditions. May I ask the Senator if the ultimate effect of an embargo on sugar will not bring us to the same pass that the Smoot-Hawley and other world tariff measures have brought us to, namely, of further destroying our markets for our agricultural surpluses abroad, because does not the Senator believe that retaliation will follow from any policy we pursue?

Mr. BANKHEAD. I think it tends directly in that direction.

Mr. President, without any intention of digressing into a general tariff controversy, I desire now to call the attention of Senators to the effect of this amendment.

I have already pointed out that it is not consistent with the policy of this bill, which is primarily to bring about an effective operation of the law of supply and demand. No such question is involved on a commodity when we produce only about 25 percent of our consumption of it and when our desire is to produce more, and not less, of that commodity.

As I stated, unless sugar is brought within the provisions of this bill, there is no way for the administration to deal with it on the subject of quotas. Not only that, Mr. President, but there is no provision in this bill, whether the amendment is included or not, under which such a result could be brought about—the reduction of acreage planted to sugar in this country. There is no provision in this bill, as has been repeatedly brought to the attention of the Senate, that gives the administration any compulsory power on the subject of production or acreage planting. So if it is the desire of the administration to enter upon some quota agreement, there is certainly nothing in this bill which would give to the administration power to reduce acreage or reduce production except where such reduction is voluntary and agreed to by the producers themselves.

So, as I stated, Mr. President, there are but two ways to benefit producers here. One is by the leasing of acreage. Who has a suggestion that sugar acreage should be leased and taken out of production, as, forsooth, may be contemplated as to rice, tobacco, cotton, wheat, and the other commodities in this bill? So that that feature of the bill would have no application whatever to sugar.

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

The PRESIDING OFFICER. Does the Senator from Alabama yield to the Senator from Missouri?

Mr. BANKHEAD. Certainly; for a question.

Mr. CLARK. How about the provision that is in the bill about the cost of production?

Mr. BANKHEAD. Will the Senator answer me a question? Is he in favor of putting sugar into this bill, with its tariff effects?

Mr. CLARK. I am in favor of letting anybody in the bill that wants to get in, and letting anybody out that wants to get out.

Mr. BANKHEAD. So the Senator wants sugar in?

Mr. CLARK. Yes; I am going to vote to put sugar in.

Mr. BANKHEAD. Now, Mr. President, let us see the effect of that.

As I just said, there is no way to benefit the sugar growers under the leasing provision of the bill. The other method is what is commonly known as "the allotment plan", which provides the benefits to the producers; but, Mr. President, let no one forget that the application of the allotment plan to any commodity contemplates necessarily, to be effective, whatever benefits are paid, that there must be a voluntary agreement to reduce production of acreage in some agreed amount in order to receive the benefits following an allotment certificate. So that under either phase of the bill, rentals or allotments, it could not be applied to sugar; and no sugar producer, no representative of sugar constituents, would want the application of either plan to sugar on account of the necessity of bringing about a reduction either

by leasing or by voluntarily agreeing in order to get the benefits of the plan.

If the allotment plan is applied—and that is the only one that could be applied—and a reduction in acreage follows in order to secure it, what is the result? Under the compensatory tariff provision of this bill, if an excise tax, for illustration, of 5 cents a pound should be put upon processed sugar in this country, in order to secure from that tax the money to be paid to the producer either for rental or for allotment benefits, then what is the result? Upon one fourth of the total consumption we put a tax to be paid to the producers. Upon three fourths of all the sugar consumed in America we place the same identical tax of 5 cents a pound additional upon every pound subject to the import duty under our tariff law.

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

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

Mr. BANKHEAD. I do.

Mr. HARRISON. The Senator says that we produce one fourth of our consumptive demands of sugar. I desire to say to the Senator that the figures will show that we produce in the United States only between one fifth and one sixth of our consumptive demands of sugar.

Mr. BANKHEAD. I thank the able Senator for that valuable information. I got my figures from the Senator from Colorado [Mr. COSTIGAN].

Mr. HASTINGS. Mr. President——

The PRESIDING OFFICER. Does the Senator from Alabama yield to the Senator from Delaware?

Mr. BANKHEAD. Yes; I yield.

Mr. HASTINGS. Does not the same argument that the Senator makes with respect to sugar apply to wheat and every other commodity?

Mr. BANKHEAD. The Senator knows that there is no importation of the other articles involved in this bill. Why ask a question like that, when it answers itself?

Mr. HASTINGS. I should like the Senator to answer the question.

Mr. BANKHEAD. I have answered it. It has no practical effect, of course.

Mr. HASTINGS. What is the answer to the question?

Mr. BANKHEAD. The answer to the question is that there are no imports of the other commodities included in this bill.

Mr. HASTINGS. I understood the Senator a moment ago to complain about this amendment being put in the bill because it meant that three fourths of the people of the Nation would have to bear the additional tax that would be imposed for the benefit of the one fourth that raised the sugar; and I ask the question whether that is not true of wheat and everything else in this bill.

Mr. BANKHEAD. Mr. President, the party to which the Senator belongs has dealt with the question of an adequate tariff upon sugar. They have placed it at a point, I assume, as high as they felt the consumers of America would stand; and that is the tariff duty that now exists in the law—the one that the party to which the Senator from Delaware is loyal adopted as an adequate and effective protective tariff upon the sugar industry.

Mr. HASTINGS. Mr. President, will the Senator yield for another question?

The PRESIDING OFFICER. Does the Senator from Alabama further yield to the Senator from Delaware?

Mr. BANKHEAD. Yes.

Mr. HASTINGS. I understood the Senator a moment ago to say that the only relief that the sugar industry could have would be through the protective tariff. I desire to ask the Senator if he is in favor of sufficiently increasing the protective tariff so that the sugar industry will be put on a par with other American industries.

Mr. BANKHEAD. Mr. President, when a tariff bill comes before the Senate, that will be an appropriate and suitable place to deal with the question of the tariff. It is not my purpose, and has not been my intention, to make any argument for or against the tariff. I have had no thought of going into that line of discussion. I am merely pointing out to the Senate that without considering, as such subjects must be properly and carefully considered, the amount of increased tariffs that are justified, we ought not here, upon this bill, to incorporate a provision which, if put into application, would automatically also put into application the compensatory-tariff provision of this bill. So I submit that this is not the time nor the place to go into that subject on any commodity, whether sugar or any other commodity.

Mr. HASTINGS. Mr. President, will the Senator yield for one more question? Then, I promise not to interrupt any more.

I call the Senator's attention to the fact that the last paragraph of section 15 of the bill distinctly provides:

> (e) During any period for which a processing tax is in effect with respect to any commodity there shall be levied, assessed, collected, and paid upon any article processed or manufactured wholly or in chief value from such commodity and imported into the United States or any possession thereof to which this title applies, from any foreign country or from any possession of the United States to which this title does not apply, a compensating tax equal to the amount of the processing tax in effect with respect to domestic processing at the time of importation. Such tax shall be paid prior to the release of the article from customs custody or control.

The question I ask is how the Senator can possibly contend that, in the consideration of the pending bill, we must eliminate all consideration of the tariff question.

Mr. BANKHEAD. Mr. President, I do not care to go into any debate with the Senator. I do not think it has any application to the bill. It is perfectly apparent on the facts presented here that the administration would not and could not properly put into operation any provision of this proposed law which would be helpful to the sugar growers. I, therefore, submit, in view of that unquestioned result, that we ought not further to open up the subject of the inclusion of this and other commodities which are to follow.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the senior Senator from Colorado [Mr. COSTIGAN].

Mr. COSTIGAN. I ask for the yeas and nays.

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

Mr. LOGAN (when his name was called). I have a pair with the junior Senator from Pennsylvania [Mr. DAVIS], who is absent. I therefore withhold my vote. If I were allowed to vote, I would vote "nay."

The roll call was concluded.

Mr. LEWIS. I wish to announce that the Senator from Arizona [Mr. ASHURST], the Senator from Texas [Mr. CONNALLY], the Senator from Nevada [Mr. PITTMAN], the Senator from Mississippi [Mr. STEPHENS], the Senator from Indiana [Mr. VAN NUYS], the Senator from Kansas [Mr. McGILL], and the Senator from Oklahoma [Mr. THOMAS] are necessarily detained from the Senate on official business.

Mr. COPELAND. I have a general pair with the Senator from Ohio [Mr. FESS]. Not knowing how that Senator would vote on this question, I transfer my pair to the Senator from South Carolina [Mr. BYRNES] and vote "nay."

Mr. HEBERT. I desire to announce that the Senator from Vermont [Mr. DALE] has a general pair with the Senator from New Mexico [Mr. BRATTON].

The result was announced—yeas 44, nays 37, as follows:

YEAS—44

Adams	Couzens	Kendrick	Reynolds
Austin	Dickinson	Keyes	Robinson, Ind.
Bailey	Dill	King	Russell
Barbour	Erickson	Long	Schall
Bone	Fletcher	McAdoo	Sheppard
Borah	Frazier	McCarran	Shipstead
Byrd	Glass	Neely	Thomas, Utah
Carey	Goldsborough	Nye	Townsend
Clark	Hastings	Overton	Vandenberg
Coolidge	Hebert	Patterson	Walcott
Costigan	Kean	Pope	Wheeler

NAYS—37

Bachman	Bulkley	Cutting	Hale
Bankhead	Bulow	Dieterich	Harrison
Barkley	Capper	Duffy	Hatfield
Black	Caraway	George	Hayden
Brown	Copeland	Gore	Johnson

Lewis	Murphy	Smith	Walsh
Lonergan	Norbeck	Steiwer	White
McKellar	Norris	Trammell	
McNary	Reed	Tydings	
Metcalf	Robinson, Ark.	Wagner	

NOT VOTING—14

Ashurst	Dale	Logan	Thomas, Okla.
Bratton	Davis	McGill	Van Nuys
Byrnes	Fess	Pittman	
Connally	La Follette	Stephens	

So Mr. COSTIGAN's amendment was agreed to.

Mr. WHEELER. Mr. President, I offer an amendment, on line 9, page 16, after the word "rice", to insert the word "flax."

Mr. SMITH. Mr. President, there is so much confusion in the Chamber that we are unable to hear.

The PRESIDING OFFICER. The Senate will be in order, and the occupants of the galleries will likewise observe order.

The clerk will state the amendment.

The CHIEF CLERK. The Senator from Montana offers the following amendment:

On page 16, line 9, following the word "rice", to insert the word "flax."

Mr. ROBINSON of Arkansas. Mr. President——

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

Mr. WHEELER. I yield.

Mr. ROBINSON of Arkansas. It is perfectly apparent that through a combination between peanuts and sugar——

Mr. HARRISON. Mr. President, can we not have order in the Chamber?

The PRESIDING OFFICER. Senators will be seated. The Senator will suspend until the Senate is in order.

Mr. ROBINSON of Arkansas. Mr. President, it is perfectly apparent that, through a combination between peanuts and sugar, this bill is being placed in a condition where it will merit much of the criticism that has been directed against it by those who are opposed to it. I have no criticism to make of any Senator who is against the bill, and who feels that the way to make his opposition effective is to load it down with amendments which will render the measure impossible of execution; but I do want the friends of this measure, those who believe that its purpose is wholesome, who believe that its proponents have an honest desire to uplift agriculture, to understand that they are not rendering it any valuable assistance when they write into it peanuts and sugarcane as basic commodities.

Mr. President, this matter is of importance. If the friends of this proposed legislation are going to admit all commodities on the theory of the Senator from Missouri [Mr. CLARK] that everybody who "wants in" shall be permitted to come in and everybody who wishes to go out shall be permitted to go out, then there is not an excuse in the world for not admitting every agricultural commodity that knocks at the door for admission.

There is no Senator here who does not realize that the test of the value of this measure is whether or not it can be effectively administered. However, if we are going to make it apply to all agricultural commodities, if we define as basic agricultural commodities all the products of our fields and our soil, we shall put an impossible burden upon those who will be charged with the responsibility of administering this proposed act.

We are now at the point where we must determine whether we are going to destroy this bill by making it impossible of administration or whether we are going to give the President and those who support him an opportunity to accomplish something in behalf of agriculture.

Mr. President, with the permission of the Senator from Montana, I move a reconsideration of the vote by which the last amendment was adopted.

Mr. COSTIGAN. Mr. President——

Mr. WHEELER. I think I have the floor, Mr. President.

The PRESIDING OFFICER. The Chair is informed that the Senator from Arkansas voted on the losing side, and therefore is not qualified to make the motion which he has made.

Mr. ROBINSON of Arkansas. I realize that I am on the losing side, and that if the point of order be made I am not in a position to make the motion.

Mr. WHEELER. Mr. President, in pressing my amendment to insert flax under this bill, let me say that in the Committee on Agriculture and Forestry the committee itself voted to include flax and they likewise voted to include peanuts. Finally, after some discussion, I said that if the committee struck out peanuts I would be perfectly willing to have flax eliminated, notwithstanding the fact that I felt it important to have flax included in the bill for this reason: If by this legislation the price of wheat shall be increased, thereby necessarily the production of flax will be lessened, and much land which is now planted in flax will in the future be seeded in wheat. Consequently it seems to me that it is quite necessary, if the bill is going to be successful in increasing the price of wheat, to include flax, so as to give the Secretary of Agriculture power to deal with flax just the same as he may deal with wheat. I think any person who is familiar with the wheat situation in the Northwest knows that those two crops are interchangeable. Farmers may seed wheat or flax upon identically the same land.

Mr. BARBOUR. Mr. President, will the Senator from Montana yield to the Senator from New Jersey for a question?

The PRESIDING OFFICER. Does the Senator from Montana yield to the Senator from New Jersey?

Mr. WHEELER. I yield.

Mr. BARBOUR. When the Senator from Montana refers to flax in that connection he must be referring to seed flax?

Mr. WHEELER. Yes.

Mr. BARBOUR. Because the flax which is grown for fiber is in no sense interchangeable with the flax which the Senator is now discussing.

Mr. WHEELER. I am having reference not to fiber flax but to seed flax.

Mr. BARBOUR. And the Senator's amendment refers only to seed flax?

Mr. WHEELER. It refers only to seed flax.

Mr. CLARK. Mr. President, will the Senator from Montana yield to me?

The PRESIDING OFFICER. Does the Senator from Montana yield to the Senator from Missouri?

Mr. WHEELER. I yield.

Mr. CLARK. As I understand the terms of the Senator's amendment, it does not make it mandatory on the Secretary of Agriculture to apply this proposed act to flax or any other commodity of the bill. Is that correct?

Mr. WHEELER. That is correct.

Mr. CLARK. So that in a bill in which we are granting authority to the Secretary of Agriculture to levy taxes and to impose tariffs, to take a tax from one commodity and to apply it to another, the adoption of this amendment would simply broaden the wide discretion that is already given to the Secretary of Agriculture, but would not in any way complicate the administration of the proposed act unless the Secretary should choose to impose that duty on himself?

Mr. WHEELER. That is correct.

Let me say to the Senate that when we had a similar bill embracing the allotment plan before the committee at the last session of Congress I took the same position as that of the Senator from Nebraska; that in view of the fact that it was an experiment we ought to try it on two of the major products—cotton and wheat—and I took the same position in reference to this bill. But the administration wanted cattle included; they wanted sheep included; they wanted rice included; they wanted corn included, and hogs, and milk and its products.

Now, let me say that, in my humble opinion, there is not any more doubt but that this bill will work so much more effectively with reference to flax than it will with reference to hogs or with reference to corn, there is not any comparison at all. In addition to that, if it will raise the price of wheat, then a great many people who are raising flax at the present time will immediately go into the wheat-raising business throughout the Northwest, and it will have the

effect of making the bill less workable without flax than if flax be included. So I urge that my amendment be adopted.

Mr. BARBOUR. Mr. President, will the Senator yield to a question?

The PRESIDING OFFICER. Does the Senator from Montana yield to the Senator from New Jersey?

Mr. WHEELER. I yield.

Mr. BARBOUR. I wonder if there would be any objection, in the light of what the Senator has just said, to inserting the word "seed" before the word "flax", so that it would read "seed flax"?

Mr. WHEELER. That would be all right, or "flaxseed."

Mr. LONG. Mr. President, may I ask the Senator if the amendment is not offered in order to protect the other products, it being necessary to include flax in order to keep flax producers from going into the wheat-raising business?

Mr. WHEELER. There is not any question that if we should not include flax and leave in wheat a great many people in the Northwest who are now planting flax will plant wheat. I think the inclusion of flax will make the bill more workable, and I see no reason in the world why it should not be included in the bill.

Mr. SMITH. Mr. President, may I ask the Senator from Montana a question?

Mr. WHEELER. Certainly.

Mr. SMITH. Are there any other agricultural products with which flaxseed would come in competition of which he knows?

Mr. WHEELER. I do not know of any.

Mr. SMITH. My understanding was that perhaps the fiber flax might come in competition with other fibers, and it was provided in the original allotment bill, and at one time in this bill, that a compensating tax should be placed on those textile fibers that come in competition with the textile fibers covered by this bill, so that if the price were raised the other commodities competing therewith should pay a compensating tax; but I never before heard the element of flaxseed discussed.

The PRESIDING OFFICER. The question is on the amendment offered by the Senator from Montana [Mr. WHEELER].

Mr. GORE. Mr. President, the Senator from Montana has made a motion to insert flax in the pending bill. I merely want to give notice that Oklahoma is the leading broomcorn-producing State in the United States. I can resist the temptation now, but, if flax goes in this bill, I might insist on broomcorn treading on its heels, because I, as well as others, am about to lose my virtue.

The PRESIDING OFFICER. The question is on the amendment offered by the Senator from Montana [Mr. WHEELER].

Mr. HARRISON. I ask for the yeas and nays.

Mr. WHEELER. Very well; let us have the yeas and nays.

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

Mr. LEWIS. Mr. President, I rise to a point of order. It is utterly impossible to hear the responses of Senators, and the vote cannot properly be recorded so long as the commotion in the galleries and the noise on the floor continue. I am sure if it were understood that such was the result that quiet would be maintained. I ask for order.

The PRESIDING OFFICER. The clerk will suspend calling the roll until Senators take their seats and refrain from conversation.

The Chief Clerk resumed the calling of the roll.

Mr. LOGAN (when his name was called). I have a general pair with the junior Senator from Pennsylvania [Mr. DAVIS], who is absent. I transfer that pair to the Senator from Kansas [Mr. MCGILL], and will vote. I vote "nay."

The roll call was concluded.

Mr. LONG. Mr. President, I change my vote from "yea" to "nay", so that I may move to reconsider the vote at a later date.

Mr. COPELAND (after having voted in the negative). I transfer my pair with the Senator from Ohio [Mr. FESS] to the Senator from Indiana [Mr. VAN NUYS] and allow my vote to stand.

Mr. HEBERT. I wish to announce that the Senator from Vermont [Mr. DALE] has a general pair with the Senator from New Mexico [Mr. BRATTON].

Mr. LEWIS. I wish to announce that the following Senators are necessarily detained from the Senate on official business:

The Senator from Arizona [Mr. ASHURST], the Senator from Massachusetts [Mr. COOLIDGE], the Senator from Colorado [Mr. COSTIGAN], the Senator from California [Mr. MCADOO], the Senator from Kansas [Mr. MCGILL], the Senator from Nevada [Mr. PITTMAN], and the Senator from Indiana [Mr. VAN NUYS].

The result was announced—yeas 32, nays 48, as follows:

YEAS—32

Adams	Clark	Kean	Reed
Austin	Couzens	Keyes	Robinson, Ind.
Bailey	Erickson	King	Schall
Barbour	Frazier	McCarran	Shipstead
Bone	Glass	Metcalf	Thomas, Utah
Borah	Goldsborough	Neely	Townsend
Byrd	Hastings	Nye	Walcott
Carey	Hebert	Patterson	Wheeler

NAYS—48

Bachman	Dickinson	La Follette	Robinson, Ark.
Bankhead	Dieterich	Lewis	Russell
Barkley	Dill	Logan	Sheppard
Black	Duffy	Lonergan	Smith
Brown	Fletcher	Long	Steiwer
Bulkley	George	McKellar	Stephens
Bulow	Gore	McNary	Thomas, Okla.
Byrnes	Hale	Murphy	Trammell
Caraway	Harrison	Norbeck	Tydings
Connally	Hatfield	Norris	Wagner
Copeland	Hayden	Pope	Walsh
Cutting	Kendrick	Reynolds	White

NOT VOTING—15

Ashurst	Costigan	Johnson	Pittman
Bratton	Dale	McAdoo	Vandenberg
Capper	Davis	McGill	Van Nuys
Coolidge	Fess	Overton	

So Mr. WHEELER's amendment was rejected.

Mr. ROBINSON of Arkansas. Mr. President, I move to reconsider the vote by which the amendment was rejected and to lay that motion on the table.

The PRESIDING OFFICER. The question is on the motion of the Senator from Arkansas to lay on the table the motion to reconsider the vote by which the amendment was rejected. [Putting the question.] The noes seem to have it.

Mr. ROBINSON of Arkansas. I demand the yeas and nays.

Mr. LONG. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. LONG. Had not the Chair announced the result of the vote?

The PRESIDING OFFICER. The result of the vote had not been announced. The demand for the yeas and nays is sufficiently seconded. The clerk will call the roll.

The Chief Clerk called the roll.

Mr. COPELAND (after having voted in the affirmative). Repeating the announcement as to my pair and its transfer as on the previous vote, I allow my vote to stand.

Mr. HEBERT. I desire to announce the following general pairs:

The Senator from Vermont [Mr. DALE] with the Senator from New Mexico [Mr. BRATTON]; and

The Senator from Pennsylvania [Mr. DAVIS] with the Senator from Kentucky [Mr. LOGAN].

Mr. LEWIS. I wish to announce that the following Senators are necessarily detained from the Senate on official business:

The Senator from Arizona [Mr. ASHURST], the Senator from Colorado [Mr. COSTIGAN], the Senator from California [Mr. MCADOO], the Senator from Kansas [Mr. MCGILL], the Senator from Nevada [Mr. PITTMAN], the Senator from North Carolina [Mr. REYNOLDS], the Senator from Oklahoma [Mr. THOMAS], the Senator from Florida [Mr. TRAMMELL], and the Senator from Indiana [Mr. VAN NUYS].

The result was announced—yeas 48, nays 31, as follows:

YEAS—48

Bachman	Copeland	Harrison	Pope
Bankhead	Cutting	Hatfield	Robinson, Ark.
Barkley	Dickinson	Hayden	Russell
Black	Dieterich	Kendrick	Sheppard
Bone	Dill	King	Smith
Brown	Duffy	Lewis	Steiwer
Bulkley	Erickson	Lonergan	Stephens
Bulow	Fletcher	McKellar	Thomas, Utah
Byrnes	George	McNary	Tydings
Caraway	Glass	Murphy	Wagner
Connally	Gore	Norbeck	Walsh
Coolidge	Hale	Norris	White

NAYS—31

Adams	Clark	La Follette	Robinson, Ind.
Austin	Couzens	Long	Schall
Bailey	Frazier	McCarran	Shipstead
Barbour	Goldsborough	Metcalf	Townsend
Borah	Hastings	Neely	Vandenberg
Byrd	Hebert	Nye	Walcott
Capper	Kean	Patterson	Wheeler
Carey	Keyes	Reed	

NOT VOTING—16

Ashurst	Davis	McAdoo	Reynolds
Bratton	Fess	McGill	Thomas, Okla.
Costigan	Johnson	Overton	Trammell
Dale	Logan	Pittman	Van Nuys

So the motion of Mr. ROBINSON of Arkansas to lay on the table the motion to reconsider was agreed to.

Mr. HATFIELD obtained the floor.

Mr. FRAZIER. Mr. President, will the Senator from West Virginia yield?

Mr. HATFIELD. I yield.

Mr. FRAZIER. I desire to enter a motion that the vote by which peanuts were included in the bill yesterday be reconsidered.

The PRESIDING OFFICER. The motion will be entered.

Mr. FRAZIER. If the Senator from West Virginia will yield, I should like to make the motion now and dispose of it at this time.

Mr. HATFIELD. I do not care to yield for that purpose now.

Mr. LEWIS. Mr. President, may I ask if the Senator from West Virginia did not yield to have the motion entered to reconsider the vote referred to?

The PRESIDING OFFICER. The motion has been entered.

Mr. LEWIS. I thank the Senator from West Virginia.

Mr. HATFIELD. Mr. President, I listened with much pleasure yesterday afternoon to the able Senator from Montana [Mr. WHEELER], who emphasized the fact that the nations of the world that have depreciated their currencies are seriously interfering with the return of prosperity to this land by flooding our markets with their goods, which are landed here below the domestic cost of production.

I wish to quote from the Senator's speech of April 17, 1933:

> With depreciated currencies in 44 countries, with the currency of Japan depreciated 60 percent, with England's depreciated 30 percent, with that of the Argentine 40 percent, with depreciated currencies ranging all the way from 50 percent down to 10 percent, how do you expect, Mr. President, under those circumstances, to bring back prosperity in the United States, when England is manipulating at this very moment not only the pound sterling but is likewise manipulating the dollar?
>
> * * * * * * *
>
> Forty-four nations of the world have gone off the gold standard. Why did they do it? Because they had to have 40 percent of gold if they remained on the gold standard in order to carry on. When they could not keep the 40 percent of gold they had either to contract their currency to an extent that would cripple their business, or they had to go off the gold standard to maintain their currency upon some basis. Japan went down and, as I said a moment ago, has depreciated her currency 60 percent, and she is flooding our markets today with her manufactured products.

In substance, the Senator from Montana stated that he feared that if the measure known as the "farm bill", H.R. 3835, should be enacted into law, it would not cure the economic and industrial ills that are now going on in our land which affect the American farmer, nor would it stay the chaotic plight of our industrial condition.

Mr. President, I find myself strongly in agreement with the able Senator. I have been attempting since 1930 to point out this industrial situation that confronted us on all sides. I mean, Mr. President, in those countries east, west, north, and south whose destinies are directed under another flag. I tried to state from this floor the situation that was confronting the farmer, the wage earner, and the industrialist since September 1931.

Soon after England went off the gold standard, I appealed to the then President of the United States, Mr. Hoover, calling his attention to the fact that industries were shutting down for want of orders, and that many men were out of work for want of employment. In support of that statement, Mr. President, I quote the following paragraph from a letter written by me to the President on September 12, 1931:

> The tariff act protects the employment opportunities of our American workers; and I have the conviction that if some of the rates were higher in the Smoot-Hawley tariff law, greater relief would be experienced by American labor in these hours of depression, which would result in taking up some of the unemployment that exists in our country today.

In the early part of 1932 I addressed the Senate on the effects of the depreciated currencies of Europe and Asia, although at that time little or no attention was being given to this danger that threatened our domestic trade. On that occasion I said, in part:

> To my mind, the present tariff rates in effect on products of foreign industry, criticized as they have been by some Members of the Senate, are lower than present world-wide conditions justify. With foreign currencies, as in the case of England and Japan—two of the leading exporting nations—depreciated some 30 percent, the actual tariff protection or equalization in effect today is less in many cases than that which existed prior to the passage of the present tariff act.
>
> Mr. President, let us remain Americans and legislate for America. Let us follow the advice of the immortal Washington, as in doing so I believe we will be voting the sentiment of the American people. The American people as a whole are nationally minded.

On January 31 of this year I again spoke on how foreign depreciated currencies had affected our tariff rates. I quote a few paragraphs from this speech:

> Give the industries of this country the assurance of the home market by protecting these products against the products of those nations now off the gold standard, and the American Congress will accomplish two things, in my judgment. First, it will return millions of men to work; second, it will do more to force Europe and Asia back to a sound monetary basis than any international conference can accomplish.
>
> This action will help home industries. They will provide an adequate surplus by restoring their depleted warehouses and by so doing will put thousands of men to work who are now walking the streets and highways seeking the opportunity for earning a living that is denied them. Their unemployment has terminated their purchasing power.
>
> The farmer is the manufacturers' best friend in the way of a consumer; but the farmer cannot purchase unless he has a market for his products; and it has long since been demonstrated that the purchasing power of the forty-some million workmen under the American flag represents 80 percent of his market.

President Hoover on February 12, 1933, delivered in New York a Lincoln Day speech, in which he stated that our country was at the fork of three roads, which, in substance, he explained as follows:

First, he referred to a world economic conference, and possible raising of the standards of living of foreign workers to that of our own people, as a means of relief for industry and agriculture—a condition which it has been impossible to accomplish since the early progressive days of our Republic. It has been known to the nations of the world that the standard of living enjoyed in America surpassed all the rest.

Secondly, relief through a high degree of self-containment, the control of our production of agricultural and other products, and living largely in a state of nationalism, which so many of our economists and thinkers today condemn, notwithstanding our experience with Europe, beginning with the war of our independence, and coming down to the present time.

Third, another proposition that was opened to us was to inflate our currency, abandon the gold standard, depreciate our currency, and enter a world economic war.

In his messages to Congress in the few weeks that were left to him at the conclusion of his administration, the

policy that President Hoover advocated to Congress was relief made possible by a facility established through the Treasury of the United States. This policy has been continued down to the present time. So all we have had to offer in the way of relief to the great army of wage earners has been through and by road development and the construction of a few Federal buildings. Then came the dole; again the dole, and then relief, all by the Government of the United States, necessarily in a limited way.

Mr. President, I have always been taught that the people should support the Government, except that where some citizen had been a defender of his Nation's flag, and through such support misfortune overtook him, then on account of his devotion to the Government should take care of him.

I, of course, know of our local Government's obligations to its wards who cannot help themselves; and I can assure this body that I, as an individual, have contributed liberally of my services and means to that group.

Here, however, we have a nation placed in the position of assuming the role of supporting almost one third of our wage earners who are embarrassed by this hopeless situation in which they find themselves dependent for bread and raiment upon the National Government. They do not want this charity, Mr. President. They want the opportunity to work, and, by so doing, to assist in the support of their Government.

The Senator from Montana pointed out the effect of depreciated currency on all groups in the United States. He uncovered the direful malady which is eating at our Nation's very vitals—a situation which has had my thought and serious consideration since the stock-market debacle, and what happened in Europe and Asia soon thereafter. I have been attempting to point out this very situation. I disagree with the able Senator only in the remedy to be applied.

Being a confirmed protectionist, as far as protection is necessary to serve the best interests of the great masses who toil, I have thus far attempted to secure the adoption of a measure dealing with depreciated currency by an excise tax, having for its purpose bringing Europe and Asia's basic units of value represented by their money up to a parity of unit of value, thereby establishing the differential of the cost of production at home and abroad, using this tax to make up the difference between the cheap money of Europe and Asia and our gold standard, and, by accomplishing this purpose, to save our industries from utter ruin.

In the article by Garet Garrett, which appeared in the Saturday Evening Post of April 15, 1933, he stated:

> With the certainty of wind currents seeking the profitable vacuum, currents of merchandise gather and set hitherward from all parts of the earth. Sardines from Norway at prices ruinous to the sardine industry of the Maine coast, where presently 2 in every 3 factories are closed, fishermen are idle, and boats are tied up. Japanese scallops at Boston, 25 cents a gallon; and the Atlantic coast scallop industry in the dumps. Toys from Germany. Raw cotton from Egypt, not in the quantities usually imported for its special merit as a long-staple variety but in rising quantities, with the Federal Farm Board at Washington using public funds to support the price of American cotton. European steel bars for reenforcing concrete, with their ends clipped to remove the mark of their foreign origin, and used in public road work for the relief of American unemployment. Pig iron from Japan and British India at prices the American iron industry cannot match unless it is willing to go into liquidation, default on its existing capital, start all over again, and then offer such wages to the American ironworker as are paid in Japan and India.
>
> There is pig iron from Holland, too; and that is curious, because Holland is a gold-money country. The explanation is that Holland, with her gold money, buys ore in Spain, which is a depreciated-currency country, then smelts the ore in Holland and sells the pig iron here. The Hollander's profit is in the exchange with Spain. We might buy ore in Spain, too, and so reduce the cost of producing pig iron in this country, except that we have ore of our own to use. Each ton of foreign pig iron imported displaces the amount of American labor necessary to produce 2 tons of ore, 1¼ tons of coal, half a ton of limestone, besides the labor necessary to transport these materials by rail and water, and the labor represented at the furnaces and coke ovens.
>
> Then butter from New Zealand to the Pacific coast and cream from Canada into New York State, with the Federal Farm Board at Washington trying to support the dairy industry.

Mr. Theodore M. Knappen, writing in the Wall Street Magazine of April 1, stated:

> While 30 or 40 nations operating under the guerilla flag of no fixed value for their currencies have been storming our protective tariff walls, we have neither raised tariffs nor changed our monetary standards. Congress has held hearings on the subject until it is black in the face, and the Tariff Commission has accumulated a mountainous labyrinth of statistics.
>
> All the hearings and all the figures show that the United States is the export playground of the world.
>
> Manufacturers, farmers, and laboring men have pleaded tearfully for help, but there is no help.
>
> Worse and more of it, American home factories are shutting down and turning their business over to their foreign branches.

In an address delivered at the Wharton Alumni Institute, Philadelphia, March 23, 1933, by Prof. Wallace B. Donham, the author of Business Adrift, the following paragraph serves to emphasize the crux of the problem that faces the American people today and its solution:

> If we consider our home problems and work them out, the progress of science puts well within our grasp a higher material civilization than ever was dreamed of, a civilization based on high general standards of material living, not on a submerged class; a material civilization which makes a great civilization possible. But we cannot prosper with bankrupt farmers or many millions of industrial unemployed. Fifty million people cannot support 75 million ineffectives. Nor can we restore 75 million to effectiveness by international measures. * * * I agree with an eminent Englishman who recently said to me, "The best service you can do for Europe is to work out your own problems."

I commend his contribution at this hour of our country's peril as worthy of emulation by every lawmaker in the Congress as a sound policy in this period of reconstruction, which surely takes us back to the earlier periods of our Government's development in wealth and commerce, in trade, and in living conditions.

We have made our debts and we will pay them, although they were not contracted by our own wrongful action, but with the hope of a greater and more liberal democracy, in the interest of the great masses of the people both at home and abroad.

There is no question about the sincerity of those who had this vision; but, Mr. President, our expenditures of money that have been made, and will be made until they reach the colossal sum of $165,000,000,000 or more before the end, will be realized by the present generation and generations yet to come. In this period of our Nation's economic and commercial dilemma the Hearst newspapers have almost daily pointed out in vivid pictures the plight so ably portrayed by the Senator from Montana—the vision of labor and industry alike in one common concourse of appeals for relief. Yet, Mr. President, nothing constructive, looking toward relief, has even been undertaken other than placing additional responsibilities of a financial nature upon the backs of the American taxpayer in the way of issuing bonds and creating additional obligations through and by the Treasury of the United States.

Mr. President, during my efforts to secure consideration in the Seventy-second Congress of my amendment dealing with the subject of depreciated currency that was destroying every hope for work opportunities for the home labor and the market of the American farmer, there came reams of letters and telegrams in support of it; but my efforts all failed, seemingly for lact of support by Congress.

Mr. President, I can see a rift in the clouds. The senior Senator from Montana [Mr. WHEELER], in most emphatic terms, presented proof and argument of the existence of the situation that no group of individuals can successfully contradict. Industrial records will disclose the fact that the situation has existed since the ravages of depreciated currency started soon after September 1931, at which time it laid upon American industry a hand that gradually paralyzed our entire economic structure, not unlike the ravages of some kind of a communicable disease upon the human body. Not one group among the almost innumerable groups under the American flag has escaped its ravages, which proves that our entire economic and industrial fabric is so interwoven that one is dependent upon the other. In other words, there are no unrelated industries in America; and our entanglements with world trade and world commerce have so enmeshed American industries located here and throughout the world that depreciated foreign currency has been like a

great octopus that has devitalized our very existence, industrially and individually.

I say in all sincerity that the only thing, in my judgment, that will lift this depressed Nation from the despond into which it has lapsed is legislation that will effectually estop this vulture of depreciated currency that has blocked in one direction and drained in another the life stream that supplies the very vitals of our trade and commerce.

Mr. President, the diagnosis has been made. The treatment up to this hour has been palliative. All kinds of nostrums have been applied, and more are in the making, soon to be administered, no doubt, such as international conferences, reciprocity, horizontal cuts in our tariff law not unlike the tariff law rendered inoperative during the administration of that great American, Andrew Jackson, which resulted in a severe depression. Are all these new foreign remedies to be used, when we all know that it was a foreign plague that has brought us to our present plight?

Mr. President, I ask, When will restitution come? When will we return to those basic guides that directed the founders of this Government? Will it be after hopeless insolvency has engulfed all of the investments in stocks and bonds and insurance, which represent the widow's mite or the pittance of the old and decrepit who felt secure because he had laid away something for the rainy day when the debacle of 1929 came and continued? Will it only come when the homes, the farms, and the firesides have tumbled into one hopeless mass of bankruptcy?

Mr. President, let us apply this specific. Let us temporize no longer. We should not wait for next week or next year, or for some foreign potentate to suggest the remedy. If we are so dependent upon those in foreign lands in time of peace and distress, what must be our plight in the time of conflict, should it ever come?—which I hope and trust it may not. We have done nothing but succor Europe for the past 16 years. Our support enabled them to undermine and destroy the economic stability of our Government. Europe, in my judgment, cannot be stabilized again until revision of the Versailles Treaty is had. But that is Europe's trouble. We gave the Allies our best fighting men; we loaned them money, both private and public. Did they not by their conduct assist in the toppling over of the frenzied stock market in 1929 because of their vision of what was happening in Europe?

The trouble began at Vienna, at whose feet converge four great routes, hewn by nature in remote geological times. Through these mountain clefts, over these rolling plains, and down these fertile valleys swarmed the very progenitors of modern Europe. Ancient hunters, with stone axes, bows and arrows, intimately knew her forested glades and dwelt contentedly in her pleasant grasslands. Their successors, down the long march of the centuries, savagely have fought over these desirable areas to this very day. Today we find Vienna but a shadow of her former self, a condition brought about by the ravages of war and economic dislocations.

The next experience we had was the moratorium, followed soon by abandonment of the gold standard; and in these matters they only consulted us when they wanted something of a material nature. When their obligations became due, a few paid and the others defaulted; and at that time their deflated-currency policy was continually destroying the work opportunities for the American wage earner.

We know that the few gold-standard nations left protected themselves against the onslaught of these invaders, thereby protecting what they controlled under their own flags—with the exception of our own country; and we are still fiddling, bantering, and undertaking to bring about economic truces, notwithstanding the repeated disappointments in the way of promises and commercial losses we have sustained.

Mr. President, I, for one, protest. I have been protesting for the past 2½ years, but without avail.

If the noble patriots of the past could stem the tide of economic debacles, it seems to me that if we adopted the same policies and followed in their footsteps we ought at least to protect our industries, protect our wage earners, and bring our Nation together again and free it from the clutches that control it at this hour.

Mr. President, I quote from a former period in our country's history when, I believe, the prices received by the owners of commodities were lower than are the prices of commodities today.

I quote from Senator Gallinger's speech in the Senate on May 16, 1894, when he said, referring to conditions in 1816:

> Then great depression in all branches of business followed. Bankruptcy soon became general, and financial ruin was everywhere present. It could not be otherwise. Carey, Greeley, Clay, Benton, and others show that this was one of the most distressful periods of our national existence. Senator Benton, of Missouri, the leading Democrat of his time, describes our first experience in tariff reduction thus: "No price for property; no sales except those of the sheriff and the marshal; no purchasers at execution sales except the creditor or some hoarder of money; no employment for industry; no demand for labor; no sale for the products of the farm; no sound of the hammer, except that of the auctioneer knocking down property. Distress was the universal cry of the people; relief, the universal demand, was thundered at the doors of all legislatures, State and Federal."

Horace Greeley, speaking of what ensued, stated:

> Our manufacturers went down like grass before the mower; agriculture and labor soon followed. In New England fully one fourth of all property went through the sheriff's mill, with conditions about the same elsewhere.

It may be that those who own homes and farms were not visited by the specter of a mortgage placed upon their property at an inflated value, with the dollar today worth 50 percent of the value of the dollar when the mortgage was placed.

Mr. President, I am ready and willing to join hands with those who are ready to legislate for America. If it be remonetization of silver upon a sound and rational basis; if it be expansion of our currency, backed and protected by a redeemer that will redeem; if it be a surtax to equalize the difference between the gold standard and the depreciated currency, well and good. But let us adopt some method—stable, sound, and worthy of the policy laid down by the founders of the Government—and remember their motto, that "He who serves the people best serves the Nation well."

Mr. President, in the hope and with the belief that governmental aid to the farm-commodity producers will start our people again on the road to prosperity, it is my intention to vote for farm-relief legislation, provided such legislation will at the same time be helpful to the 40 million wageworkers among our people.

Irrespective of any legislation we pass, or the gift, directly or indirectly, of billions of dollars of the taxpayers' money to our farm-commodity producers, we will not constructively and permanently help the American farmers unless and until we furnish the 40 million American wageworkers with a sufficient purchasing power through profitable employment.

There are but few farm products of which we have a real exportable surplus. There are some farm products of which we export a small percentage of our production, not because of the willingness of the foreigner to buy but principally because of the inability of our own people to buy through their lack of purchasing power.

There is—or there would be—ample market in America for those farm products we export, other than cotton and wheat, if the 40 million American wageworkers had an income which would permit of their purchasing the foodstuffs for their families, which food they really need and should have.

Statistics of the Department of Commerce, 1931, volume 1, page 90, table 10, show that the only farm products mentioned in the bill of which we export more than 5 percent are wheat, cotton, tobacco, and lard, although lard really is a manufactured product. It is true that we also export some manufactured milk, but I contend that manufactured milk is virtually a factory product, while tobacco, of which we export almost 40 percent, is not a necessity of life.

For the information of the Senate, I have compiled a table which illustrates the yearly tax placed on American users of American cotton, wheat, pork, and corn by the pending farm bill.

Deducting our exports from the domestic production of these four major farm commodities, I find that the 40,000,000

American wageworkers will be expected to pay the consumer's tax provided for in this bill to the following extent:

Cotton, 8,009,000 bales, or 4,004,500,000 pounds, at an increase of 6 cents a pound, or a consumer's tax of	$240,270,000
Wheat, 776,000,000 bushels, at an increase of 56 cents a bushel, or a consumer's tax of	434,560,000
Corn, 2,604,000,000 bushels, at an increase of 45 cents a bushel, or a consumer's tax of	1,091,800,000
Pork, 8,351,000,000 pounds, at an increase of $4.30 a hundred pounds, or a consumer's tax of	359,093,000
Total	2,125,723,000

Apportioning this consumer's tax of more than $2,000,000,000 among the 40 million American wageworkers, being the consumers of these four major farm products, we find that each of these 40 million wageworkers will be called upon to assume an additional burden because of the consumer's tax of not less than $53.14.

The information which I have on this subject is not private. It is well known not only to those who study Government statistics but it is known also to the 15 million of American unemployed workers for whom, up to the present time, the Congress has offered nothing but poor-relief—charity, or work at a dollar a day.

While I am sympathetic with the needs of the cotton farmers and fully realize that the present price of cotton does not meet the American costs of production, I know, from the statistics of the Department of Commerce, that the cotton farmers for 1930 produced almost double the quantity they produced 10 years before.

Also, it is common knowledge that during the past 10 years, when the cotton acreage increased almost 50 percent, the cotton farmers knew full well of the development of the rayon industry and the fact that the products of this industry would to a great extent take the place of cotton as wearing apparel.

Mr. President, I have before me statistics in the form of two tables dealing with these facts, which I ask to have made part of my remarks in the RECORD.

The PRESIDING OFFICER (Mr. STEIWER in the chair). Without objection, it is so ordered.

The matter referred to is as follows:

Acreage, production, and value of corn, wheat, and cotton

[NOTE.—Acres in thousands, production (except yield per acre) in thousands of units specified in parentheses, and value in thousands of dollars.]

Year	Acres	Production	Yield per acre	Value
CORN (BUSHELS)				
1921	103,740	3,068,569	29.6	$1,297,213
1922	102,846	2,906,020	28.3	1,910,775
1923	104,324	3,053,557	29.3	2,217,229
1924	100,863	2,309,414	22.9	2,266,771
1925	101,302	2,916,106	28.8	1,966,162
1926	99,615	2,691,531	27.0	1,728,970
1927	98,393	2,763,093	28.1	1,997,759
1928	100,673	2,818,901	28.0	2,119,046
1929	97,856	2,614,132	26.7	2,042,893
1930	100,829	2,081,048	20.6	1,378,874
WHEAT (BUSHELS)				
1921	63,696	814,905	12.8	$754,834
1922	62,317	867,598	13.9	873,412
1923	59,659	797,394	13.4	736,066
1924	52,535	864,428	16.5	1,123,086
1925	52,367	676,765	12.9	958,364
1926	56,359	831,381	14.8	996,308
1927	58,784	878,374	14.9	979,813
1928	58,272	914,876	15.7	887,184
1929	61,464	809,176	13.2	843,030
1930	59,153	850,965	14.4	517,407
COTTON (BALES OF 500 POUNDS GROSS)				
1921	30,509	7,954	[1] 124.5	$644,933
1922	33,036	9,755	[1] 141.2	1,160,968
1923	37,123	10,140	[1] 130.6	1,571,829
1924	41,360	13,628	[1] 157.4	1,540,884
1925	46,053	16,104	[1] 167.2	1,464,032
1926	47,087	17,977	[1] 182.6	982,736
1927	40,133	12,955	[1] 154.5	1,269,885
1928	45,341	14,478	[1] 152.9	1,301,796
1929	45,793	14,878	[1] 155.0	1,217,829
1930	45,218	14,243	[1] 120.8	674,044

[1] Pounds per acre.

Mr. HATFIELD. Mr. President, the processor's tax in the pending farm bill levies a consumers' tax on every pound or bushel of the commodities included in the bill which will and must be used by the 40 millions of American wageworkers. Not only does the bill provide this enormous consumers' tax, amounting to more than $2,000,000,000 for the first year, or a per-capita tax of $53.14 on every one of the 40 million American wageworkers and the other millions dependent upon them, but, in addition thereto, it permits foreigners who purchase some of these raw materials at prices which are but a fraction of what the American processor pays, to ship such raw products in the form of manufactured materials back to the United States at total landed costs which are less than the American costs of production of comparable goods.

Thus, not only do those who sponsor this bill seek to levy a consumers' tax of not less than $53.14 on every one of the 40 million American wageworkers and the other many of these wageworkers will be denied an opportunity of employment due to the great solicitude which some Members of the Senate have for the welfare of foreign workers.

Therefore, in order to give to every American producer in his chosen field of endeavor at least a parity with the foreigner in the intense race for American trade, I offer this amendment.

Sectional legislation in the interest of one group which penalizes other groups, must, if not remedied, result in the same experience which history records followed a like legislative attitude in the nineteenth century. I am certain that no one wishes to see that experience repeated.

Why is it, Mr. President, that the Congress of the United States takes the position it does—beginning at the wrong end in the effort to relieve the situation? In this situation in America which has continued to exist for 3½ years, why is not Congress, while willing to attempt to increase the price of the products to be consumed by the wageworkers, at the same time not also willing to uphold the hands of the wage earners and give them something in the way of encouragement, looking to the period when they may be steadily employed at a wage that is worthy of their hire?

There are no unrelated industries. America, let me urge, has been developed on the theory that we are one great family industrially. As the farmer is the manufacturers' most reliable customer, so the pay roll of America affords the only dependable market for the food products of the farmer. The profitable employment of the American wage earner is the proof.

I shall not hesitate to vote for legislation beneficial to our 10 million farmers provided that in so doing I am voting also for legislation which will provide employment for our 40 million wage earners. There are plenty of such workers to be found in West Virginia, Mr. President, and I would be ashamed to go back to that State, which has honored me by sending me here to represent them in this august body, and say to them, "I did not get protection for you in the mines and mills, in the forges and other industries of West Virginia, but I voted to penalize you in the way of the purchases that you necessarily must make in order to care for your families and provide any necessary food."

In voting for legislation beneficial to the farmers, Mr. President, I fully realize that, when given employment, the purchasing power of the 13 million of unemployed American workers will be of more value to the American farmer than any processor's tax or other legislative legerdemain that can be conceived by those now seeking to legislate to cure the ills and evils afflicting this country.

I believe that the sponsors of the pending farm relief bill, which places a consumer's tax of not less than $53.14 on every one of the 40 million American wageworkers for the benefit of the 10 million American farmers, and under which, in addition to the consumer's tax, an embargo may be placed on foreign farm products, should show their consistency by voting to place the same restrictions on the products of foreign industrial workers as they seek to place on the products of foreign agriculturists.

Mr. President, only a few days ago, by the vote on the motion to reconsider the passage of Senate bill 158, which

is designed to shorten the hours of labor in this country but which at the same time, if enacted, will reduce the wages of labor, the opportunity was afforded to give the wage earners of America a chance for employment, but they were refused such a chance by a substantial majority. Notwithstanding that refusal, Mr. President, we find that this bill, through the same influence and the same support, gives to the 10 million American farmers absolute control of every farm commodity that is produced under the American flag, and that an embargo is placed against every import that must be subjected to the processor's tax. Yet this same group of Senators refuse to make restitution or give relief to the industrial workers of America. Ah, Mr. President, consistency should compel Senators to reverse their votes upon the amendment submitted by me to Senate bill 158, as a matter of equity and fair play, as a real solution to the industrial difficulty which exists in America today. The amendment proposed by me to that bill would have been helpful indeed to the American farmer and would have relieved him from any necessity of governmental support, save that of refinancing his mortgage that is now maturing and that threatens his homestead.

To indicate that the sponsors of this farm bill must have an embargo on foreign farm products, I desire to quote a statement of the senior Senator from Montana [Mr. WHEELER], as printed in the CONGRESSIONAL RECORD of April 10, 1933, page 1427. I quote:

> In order to make the bill effective at all it is necessary to place practically an embargo upon all commodities. If we do not place an embargo on them, it will be impossible to make the bill effective because of the depreciated currencies of other countries.

The senior Senator from Montana is properly recognized as one of the spokesmen for the present administration, and I do not believe that he, for one minute, would support legislation which would in any way be embarrassing to or opposed by the present occupant of the White House.

Mr. President, I seriously question the propriety of any Senator representing the industrial States voting to levy this consumers' tax of not less than $53.14 on every one of our 40 million American wageworkers, unless at the same time he votes to protect or provide employment opportunities for these 40 million American wageworkers in order at least that they may—other than through poor-relief or charity—secure the funds with which to pay this extra and enormous consumers' tax which we are asked to levy upon them.

Surely it is apparent to every Member of the Senate that unless a purchasing power is placed in the hands of the 15 million of present unemployed American wageworkers it will be necessary to provide for this consumers' tax by additional grants of Federal moneys to feed those who are unable to buy bread.

Mr. President, I can only see my way clear to vote for this legislation when this concession is given. Admittedly, it must be given. It was discussed in no uncertain terms by the senior Senator from Montana [Mr. WHEELER] in pointing out that a depreciated currency would destroy the operation of the measure unless a complete embargo is had. If that is true, what must be the resulting effect upon the $75,000,000,000 or $80,000,000,000 worth of industrial products manufactured by the wage earners of America?

The proponents of the pending farm bill have stated the necessity of placing an embargo on foreign farm products in order that the pending farm bill may be successfully operated. We do not seek an embargo on foreign-made industrial products.

We do seek and must insist that the pending farm bill be amended, as a matter of justice and equity to industry and the farmers, so as to provide that imports of foreign industrial workers be barred from entry into our markets at total landed costs which are less than the American cost of production of similar and comparable American-made goods.

Mr. President, I have presented, and there is pending at the desk, an amendment to be added to subsection (e) of section 15, which I trust will be adopted.

The most beneficial legislation which Congress can enact for the benefit of American farmers is to insure an American market for the products of American industry and American agriculture. With the present 13,000,000 unemployed Americans restored to normal employment the purchasing ability of these millions of unemployed Americans would be of more help to eliminate the present surplus of American farm products and to permit of the American farmer receiving a profit on his labors than any legislation we could enact.

I have had this conviction for the last 2½ years. I am more convinced today than ever before in my life as a Member of this body that this kind of legislation will bring stability and order out of the chaotic condition which exists today and will bring about more contentment, more happiness, and more satisfaction to the wage earners of the country than any other legislation we can enact.

Differing from those who openly seek a complete embargo, we are willing to permit of the entry of foreign-made goods provided that these goods do not deprive American wageworkers of an opportunity of earning a proper living.

Further, we differ from those who sponsor the pending farm bill in that we do not seek to place a consumers' tax on those who purchase the products of American industrial workers.

I believe that there are several Members of the Senate who hesitate to vote for the consumers' tax, as provided for in the pending bill, who might vote favorably if proper provision was made to insure employment opportunities for our 40,000,000 wageworkers, of whom 13,000,000 are at present unable to secure employment, and for whom, up to the present time, no real relief, other than charity, has been given serious consideration.

Mr. President, there is every reason why I desire to vote for the pending farm bill; and if amended so as to provide employment opportunities for American workers by insuring the products of American labor a preference in the American market, I shall be pleased to do so.

The outstanding provision of the bill, and one which I believe would receive almost unanimous support, if it stood alone, is the provision wherein the Congress of the United States appropriates or provides some $2,000,000,000 in bonds to stay the hand of the auctioneer and the dispossessor.

Mr. President, that section of the pending farm bill is one which every Member of the Senate can support were it acted upon individually. I regret to say that unless the pending bill, of which the farm-mortgage relief is a part, is properly amended, it is my conviction that many Members of the Senate who desire to vote for the farm-mortgage relief section will find it necessary in the interest of the States they represent to vote against the entire bill.

The amendment which I have offered and upon which I will ask the Senate to vote, simply provides that the products of American industrial workers shall have an equal opportunity in the American market with the products of the cheap-paid labor of foreign countries. The amendment which I offered is in thorough accord with the provisions of this bill as they apply to imported agricultural products with the exception that the present bill, as has been well stated by some of its proponents, calls for a complete embargo, while the amendment which I have proposed does not deny entry of the industrial products of foreign labor, but does permit of American industrial workers securing employment now denied to them.

Mr. President, I trust it will be the pleasure of the Senate to demonstrate to the American wage earners that we desire to do something in the way of relieving the situation which confronts them at this hour by restoring to them the domestic market which is justly theirs, by voting to keep out cheap commodities made in the sweatshops of Europe and Asia, paid for in depreciated currencies at anywhere from 30 to 60 percent less than is paid for similar work under the American flag.

Mr. President, I hope that I may be favored with the yeas and nays upon the consideration of my amendment by the Senate of the United States.

Mr. FLETCHER. Mr. President, it may be of interest to refer very briefly to the subject of a definite monetary

policy which bears on the question involved in the bill and on trade generally and as related also to the prosperity of the country. Something must be done, it seems to me, to arrive at some definite monetary policy in this country.

More than 30 nations, including England, have been forced off the gold basis.

Money loaned them and supplies sold them after the armistice—some $2,500,000,000—should be collected.

The total debt, as settled, amounted to about $22,000,000,000, to be paid over a period of 62 years, present payments being about $250,000,000 a year, with interest at 2.62 percent.

Prior to the funding they had paid some $900,000,000.

Prior to the moratorium they had paid $1,500,000,000.

France, Holland, and the United States now hold 70 percent of the world's gold.

It cost England over 28,000,000 pounds sterling to pay the 19,000,000 gold pounds of the December payment.

Our debtors claim it is impossible for them to pay in gold at present gold value of the dollar.

We cannot permit them to pay in goods.

The world's trade is badly hampered by the lack of world's metallic medium of value.

A little over 60 years ago England was the sole country on a gold basis.

France and the United States and a few others were bimetallic, gold and silver.

The others were on a silver basis—one half the world—Germany, Austria, Russia, Mexico, the Far East, most of Central and South America.

Germany went on gold and others were forced to follow.

There was a scarcity of gold. Its value went up and, conversely, world's prices went down, and it was not until discovery of rich fields in South Africa that prices commenced to go up.

Now there is another acute shortage of gold, with consequent depression in prices.

Five hundred billion dollars of the world's wealth was destroyed by the war.

Internal debts were enormously increased.

Many countries are now operating on a fluctuating paper currency—demoralizing trade.

Until a stable medium is established there is no hope of revival of trade or an increase in prices.

There is not enough gold to enable the various nations to stabilize their currencies on the basis existing before the war. There must be found some other basis for currency.

France, Italy, and Belgium have revalued their currencies at less than one quarter the previous amount of gold in them.

England is on a managed paper currency, but indicates it will soon be on a metallic basis—it may be gold but with a decreased amount of gold in the pound sterling.

If England and the United States would adopt a measure of value consisting of gold and silver, perhaps the Marshall plan, the rest of the world would follow and we would have a stable measure which would stimulate trade, raise values, and change the psychological condition from one of fear to hope and gradually lead to prosperity.

What is needed is not so much more money as increased velocity in its movement. What appears to be in circulation is not really circulating. This calls for what is called "controlled inflation".

Something must be done to raise prices of our commodities, or we cannot pay our private debts or the taxes necessary to carry on our National, State, and local governments, and provide interest and sinking fund on their bonded debts. Our monetary policy must be established to accomplish that purpose.

The gross income of our people last year was $45,000,000,000.

The personal, corporate, and public debt is $150,000,000,000.

The taxes for National, State, and local governments amount to $15,000,000,000.

With normal prices for our products our gross income should be $100,000,000,000.

We must put our dollar on an equal basis with the currency of other great trading nations.

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

The PRESIDING OFFICER (Mr. LONERGAN in the chair). Does the Senator from Florida yield to the Senator from Washington?

Mr. FLETCHER. I yield.

Mr. DILL. Does the Senator believe that the policy adopted today of refusing to ship gold abroad will bring about the condition which he thinks so desirable?

Mr. FLETCHER. I am not advised about that policy; but if the Senator says that has been ordered, I think it is perfectly sound in order to prevent this country from being drained of its gold.

Mr. DILL. Is there any defense for allowing foreigners to take gold out of this country when we will not allow our own people to have gold for their own money?

Mr. FLETCHER. No; precisely, and that is the reason for the embargo, I think.

Mr. DILL. And is not inflation by that method far preferable to the printing-press method, since it can be managed and controlled?

Mr. FLETCHER. If it can be managed and controlled.

Mr. DILL. Of course, it can be, by the same method England used.

Mr. FLETCHER. Yes. I think it is necessary to have a proper, wise, sound system of inflation established, and a policy to that end. I think it is necessary to make this kind of an order to prohibit the shipment of gold out of the country. I think that is important.

The term "printing press" sometimes is used as a term of reproach, but the Supreme Court has held that printing money is the same as coining money under the Constitution of the United States. If the printed money rests upon a sound basis of value, I do not object to its being printed. I think a very good idea would be to have gold and silver, or whatever metallic basis may be agreed upon by the important nations of the world, in bars, and not coined at all, but to have it in bars as a reserve, and to have paper money printed and circulated instead.

A friend of mine recently sent me an article which it seems to me is quite pertinent to conditions today. It is entitled "Remedies for Fluctuations of General Prices." It is an article by Prof. Alfred Marshall, appearing in the Contemporary Review, of London, for March 1887. It is a very suggestive article; and I am going to ask to have it printed in the RECORD, because I think it applies to conditions today.

I am quite sure that if important nations—England and the United States, for instance—could agree upon a plan of this sort, basing their currency upon one half gold and one half silver, if you like, and not coining any of it except for subsidiary coins, but keeping it in bars, we would have a safe and sound basis for the currency of the world, and the world's trade would proceed properly, and exchanges would be adjusted according to that.

At any rate, this article is worth reading today, and I ask to have it printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The article is as follows:

[From Remedies for Fluctuations of General Prices]

(Article by Prof. Alfred Marshall in the Contemporary Review, London, for March 1887)

A PROPOSAL FOR A STABLE BIMETALLISM

It is with great diffidence that I suggest an alternative bimetallic scheme. I am not sanguine enough to hope that I have found the best possible solution of the difficulty; but my plan, whatever its faults may be, seems to have this claim for consideration—that it would be a genuine and stable bimetallism. It would therefore give a slightly better standard of purchasing power than our present currency; and, what is more important, it would form a basis of international currency. An international gold coinage would disturb trade by causing a violent fall in prices; an international silver coinage would have even greater evils. But a system of currency based on both gold and silver could become international; and that is, to my mind, the chief reason why it is worth while to inquire what is the best possible form of bimetallism.

Ricardo suggested that we should use a paper currency resting on a basis not of coin but of stamped gold bars weighing 20 ounces each. If, he argued, the currency were in excess and showed signs of falling below its gold value, it would be taken to

the mint and exchanged for gold bars for exportation; if it were deficient, gold bars would be brought to the mint and currency demanded. Within the country the paper would be a perfect medium of exchange, while for the payment of the balances of foreign trade stamped gold bars are better suited than coins.

The currency scheme which I wish to submit for consideration differs from his only by being bimetallic instead of monometallic. I propose that currency should be exchangeable at the mint or issue department not for gold but for gold and silver, at the rate of not £1 for 113 grains of gold but £1 for 56½ grains of gold, together with, say, 20 times as many grains of silver. I would make up the gold and silver bars in gram weights, so as to be useful for international trade. A gold bar of 100 grams, together with a silver bar, say, 20 (this number 20, or whatever it might be, would be fixed on arbitrarily once for all; if we wished the value of the currency to be regulated chiefly by gold we should have only a small bar of silver, if chiefly by silver we should have perhaps 50 or 100 times as heavy a bar of silver as that of gold; but if we wished the two metals to have about equal influence, we should, taking account of the existing stocks of the two metals, probably choose our silver bar about 20 times as heavy as that of gold) times as heavy, would be exchangeable at the issue department for an amount of the currency which would be calculated and fixed once for all when the scheme was introduced. (It would be about £28 or £30, according to the basis of calculation.)

Anyone who wanted to buy or sell gold or silver alone in exchange for currency could get what he wanted by exchanging gold for silver, or silver for gold, at the market rate. Government fixing its own rates from day to day, so as to keep its reserves of the two metals in about the right proportion, might safely undertake this exchange itself; and then anyone could buy or sell either gold or silver for currency in one operation.

To insure convertibility the currency would not be allowed to exceed, say, three times the bullion reserve in the issue department. (Except in times of emergency, when the minimum rate of discount was, say, 10 percent, and then the rule might be broken either, as now, by the authority of the Government or, which I think would be better, by a self-acting rule.) The country would save so much on the cost of its currency that it could well afford to keep, as a normal reserve, bullion worth, say, £30,000,000 in excess of this limit, and thus prevent the sudden stringencies which we now suffer whenever there is even a small foreign drain of bullion. (Thus, if the currency consisted of notes for £120,000,000 besides silver and bronze token coins, the normal reserve would be £70,000,000. The management of the reserves might be intrusted to the Bank of England or a government bank which would act directly, as now, on the rate of discount, so as to keep the supply of gold and silver at about the right level, or a government department with no general banking functions might exercise an indirect pressure on the rate of discount by selling consols for currency when the reserve was getting too low, and buying them in again so as to let out the currency when the reserve was getting too large.)

There would be, as now, token coins of silver and bronze, but none of gold, because even a small percentage on the value of a gold coin is sufficient to pay the illicit coiner.

Ricardo's proposal was made at a time when the mismanagement of paper issues at home and abroad had made the notion of a paper currency repugnant to all prudent people. But now there is a greater tendency to discriminate between paper money, which has no sound basis and which may fairly be called soft money, and paper whose convertibility into hard metal is properly secured. The strangeness of the scheme will make many refuse to examine it closely; but those who can overcome their natural repugnance to the use of paper money will, I think, find it has the following advantages: (1) It would be economical and secure; (2) though economical, the largeness of its reserve would obviate the sharp twinges there now frequently occur in the money market; (3) it would vary in value with the mean of the values of gold and silver; (4) as it would in no way attempt to control the relative values of gold and silver, and would not be affected even if an ounce of gold became worth 50 ounces of silver, it could be begun at once and without risk by any one nation; (5) if adopted by several nations it would constitute at once a perfect international basis of currency and prices; (France could, if it chose, still reckon in francs, England in pounds, and America in dollars, but every 20-franc note would state on its face how many francs were exchangeable for a standard pair of bars of 100 grammes of gold and 200 grammes of silver; and therefore the equivalent in pounds, shillings, and pence of 100 francs would be settled once for all. There would be nothing to be allowed as now for seignorage or for wear and tear of coins. Francs, pounds, or dollars would alike give a definite command over bars of gold and silver, which would form a perfect medium for international payment.); (6) lastly, it has in my eyes an advantage which may appear fanciful, and on which I do not wish to lay any great stress, viz, that it is a movement in the direction in which we want to go of a tabular standard for deferred payments. If there should ever exist any other commodities besides gold and silver, which, like them, are imperishable, which have great value in small bulk, and are in universal demand, and which are thus suitable for paying the balances of foreign trade, then they could be added to gold and silver as the basis of the currency.

It has the one great disadvantage of being a paper currency, but this is, I contend, shared to a great extent by the fixed-ratio-mintage scheme, for under that paper would probably have to begin to take the place of gold almost at once, and before long would be very likely to extrude it altogether.

Mr. LEWIS. Mr. President, I note the absence of a quorum, and I move a roll call.

Mr. HATFIELD. Mr. President, will the Senator withhold that suggestion in order that I may offer my amendment?

Mr. LEWIS. For the moment I yield to the Senator from West Virginia, not to disturb the roll call, however; and I ask that the roll call occur following the presentation of his amendment.

The PRESIDING OFFICER. The Senator from West Virginia offers an amendment, which will be stated.

The LEGISLATIVE CLERK. The Senator from West Virginia proposes the following amendment:

On page 21, line 12, insert the following: "To insure a purchasing power on the part of American consumers the Secretary of the Treasury is hereby directed, while this section continues in force and effect, to prohibit the entry of foreign-made goods, which goods are similar or comparable to goods produced in America if such foreign-made goods are entered at total landed costs which are less than American costs of production of similar or comparable American-made goods. The Secretary of the Treasury is hereby authorized to make findings of the cost of production, and his decision shall be final."

Mr. LEWIS. I ask that a roll call may be had at this time.

Mr. KING. Mr. President——

Mr. LEWIS. I yield to the Senator from Utah.

Mr. KING. I wonder if a proper corollary to that amendment ought not to be that we will implore other nations not to impose a prohibition upon our exports in the event that our exports may be produced a little cheaper than those in other countries.

Mr. LEWIS. Mr. President, I take it that it is the desire of the Senator from West Virginia that the amendment tendered by him may lie on the table, subject to call. Therefore, I ask for the call of a quorum at this time.

The PRESIDING OFFICER. The clerk will call the roll.

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

Adams	Cutting	Lewis	Russell
Austin	Dickinson	Logan	Schall
Bachman	Dieterich	Lonergan	Sheppard
Bailey	Dill	Long	Shipstead
Bankhead	Duffy	McAdoo	Smith
Barbour	Erickson	McGill	Steiwer
Barkley	Fletcher	McKellar	Stephens
Borah	Frazier	McNary	Thomas, Utah
Brown	George	Metcalf	Townsend
Bulkley	Glass	Murphy	Trammell
Bulow	Goldsborough	Neely	Tydings
Capper	Hale	Norbeck	Vandenberg
Caraway	Harrison	Norris	Van Nuys
Carey	Hastings	Nye	Wagner
Clark	Hatfield	Overton	Walcott
Connally	Hebert	Patterson	Walsh
Coolidge	Kean	Pope	Wheeler
Copeland	Kendrick	Reed	White
Costigan	Keyes	Robinson, Ark.	
Couzens	La Follette	Robinson, Ind.	

The PRESIDING OFFICER. Seventy-eight Senators having answered to their names, a quorum is present. The question is on the amendment of the Senator from West Virginia [Mr. HATFIELD].

Mr. HATFIELD. I ask to have the amendment stated for the information of the Senate.

The PRESIDING OFFICER. The amendment will be restated.

The legislative clerk restated the amendment.

Mr. HATFIELD. Mr. President, I wonder if the able Senator from South Carolina [Mr. SMITH] will accept this amendment.

Mr. SMITH. Mr. President, I do not think the Senator from West Virginia could have offered an amendment more contrary to the individual views of the chairman of the committee; but, in all fairness to him, I want the Senate to vote on the amendment.

Mr. HATFIELD. I ask for the yeas and nays on the amendment.

Mr. LONG. I hope everybody will vote for it, Mr. President. May I ask the Senator from West Virginia a question? This amendment simply means that whatever value we put

on imports foreigners will pay according to the same yardstick?

Mr. HATFIELD. It brings the European values up to a parity with the gold standard under the American flag.

Mr. LONG. Yes, sir.

Mr. CLARK. In other words, it is an absolute embargo.

Mr. HATFIELD. Oh, no!

Mr. BORAH. Mr. President, as I heard the amendment read, I thought it provided for an embargo. I should like to have it read again.

The PRESIDING OFFICER. The amendment will be restated.

The legislative clerk restated the amendment.

SEVERAL SENATORS. Vote!

The PRESIDING OFFICER. The question is on the amendment of the Senator from West Virginia [Mr. HATFIELD], on which the yeas and nays have been requested.

The yeas and nays were ordered, and the legislative clerk proceeded to call the roll.

Mr. COPELAND (when his name was called). On this question I have a pair with the senior Senator from Ohio [Mr. FESS]. I transfer that pair to the senior Senator from Montana [Mr. WHEELER] and will vote. I vote "nay."

The roll call was concluded.

Mr. HEBERT. I desire to announce that the Senator from Vermont [Mr. DALE] has a general pair with the Senator from New Mexico [Mr. BRATTON].

Mr. NORBECK (after having voted in the negative). I have a general pair with the Senator from North Carolina [Mr. REYNOLDS], but I am advised that if present he would vote as I have voted, and I therefore allow my vote to stand.

Mr. LEWIS. I wish to announce that the following Senators are necessarily detained from the Senate on official business:

The Senator from Arizona [Mr. ASHURST], the Senator from Washington [Mr. BONE], the Senator from Virginia [Mr. BYRD], the Senator from South Carolina [Mr. BYRNES], the junior Senator from Oklahoma [Mr. GORE], the Senator from Utah [Mr. KING], the Senator from California [Mr. MCADOO], the senior Senator from Nevada [Mr. PITTMAN], the junior Senator from Nevada [Mr. MCCARRAN], the Senator from North Carolina [Mr. REYNOLDS], the senior Senator from Oklahoma [Mr. THOMAS], and the Senator from Montana [Mr. WHEELER].

Mr. LOGAN. I have a general pair with the Senator from Pennsylvania [Mr. DAVIS], who is absent. I transfer that pair to the senior Senator from Arizona [Mr. ASHURST] and vote "nay."

Mr. REED. The junior Senator from Pennsylvania [Mr. DAVIS] is absent on account of illness. I am advised that if he were present he would vote "yea."

The result was announced—yeas 28, nays 50, as follows:

YEAS—28

Austin	Goldsborough	Long	Schall
Bailey	Hale	McNary	Shipstead
Barbour	Hastings	Metcalf	Steiwer
Capper	Hatfield	Nye	Townsend
Carey	Hebert	Patteron	Vandenberg
Dickinson	Kean	Reed	Walcott
Frazier	Keyes	Robinson, Ind.	White

NAYS—50

Adams	Copeland	Kendrick	Robinson, Ark.
Bachman	Costigan	La Follette	Russell
Bankhead	Couzens	Lewis	Sheppard
Barkley	Cutting	Logan	Smith
Black	Dieterich	Lonergan	Stephens
Borah	Dill	McGill	Thomas, Utah
Brown	Duffy	McKellar	Trammell
Bulkley	Erickson	Murphy	Tydings
Bulow	Fletcher	Neely	Van Nuys
Caraway	George	Norbeck	Wagner
Clark	Glass	Norris	Walsh
Connally	Harrison	Overton	
Coolidge	Hayden	Pope	

NOT VOTING—17

Ashurst	Dale	King	Thomas, Okla.
Bone	Davis	McAdoo	Wheeler
Bratton	Fess	McCarran	
Byrd	Gore	Pittman	
Byrnes	Johnson	Reynolds	

So Mr. HATFIELD's amendment was rejected.

Mr. SMITH obtained the floor.

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

Mr. SMITH. I yield.

Mr. DILL. I call the attention of the Senator from South Carolina to page 29, line 11, where the provision concerning the lending of money on farm land appears. The provision is that money may be loaned to the amount of 50 percent of the value of the land mortgaged. I call attention to the fact that at other places in the bill the words "normal value" are used. I wonder whether the Senator would have any objection to inserting the word "normal" before the word "value" at this place?

Mr. SMITH. I will state to the Senator from Washington that we have not yet reached that title, and when we reach it, I do not think there will be any objection to the incorporation of the word to which he refers.

Mr. GLASS. A parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. GLASS. What is the status of the motion made by the Senator from North Dakota [Mr. FRAZIER] to reconsider the vote by which the amendment including peanuts was agreed to?

The PRESIDING OFFICER. The motion was entered.

Mr. GLASS. Is the Senator going to insist upon that motion?

Mr. FRAZIER. Mr. President, that is my intention. I ask leave to call up the motion I offered a few minutes ago to reconsider the vote by which the amendment to include peanuts in the bill was agreed to yesterday.

Mr. GLASS. Mr. President, the Senator from North Dakota has told me that he voted against including peanuts, and therefore I make the point of order that he has no right to make the motion.

The PRESIDING OFFICER. The vote on the amendment was not a yea-and-nay vote.

Mr. GLASS. The rule does not say anything about a yea-and-nay vote. The rule reads:

> When a question has been decided by the Senate, any Senator voting with the prevailing side or who has not voted may * * * move a reconsideration.

In this case the Senator admits he did not vote with the prevailing side.

Mr. ROBINSON of Arkansas. Mr. President, I make the point of order that no record vote was had on the amendment, and therefore any Senator is at liberty to move a reconsideration.

Mr. GLASS. Not under the rule.

Mr. ROBINSON of Arkansas. Yes; under the rule.

Mr. GLASS. I ask the Senator from Arkansas to look at the rule.

Mr. ROBINSON of Arkansas. I am familiar with the rule, and it has been interpreted a hundred times in the precedents that where no record vote is made of a vote, any Senator is at liberty to move a reconsideration.

Mr. GLASS. Mr. President, the rule does not so read. The rule provides:

> When a question has been decided by the Senate, any Senator voting with the prevailing side or who has not voted may * * * move a reconsideration.

Mr. ROBINSON of Arkansas. Yes, Mr. President; but where no record is taken, any Senator, under the unanimous precedents, is entitled to make the motion.

Mr. GLASS. The Senator from North Dakota admits he did not vote with the prevailing side.

Mr. ROBINSON of Arkansas. That makes no difference.

The PRESIDING OFFICER. The Chair is advised by the parliamentary clerk that the motion is in order.

Mr. LONG. I am just going to suggest to my friend the Senator from North Dakota that, inasmuch as he did not vote with the prevailing side, but voted against the amendment in the first place, I do not believe he would want to move to reconsider. I do not believe he would want to ask for a reconsideration, as a matter of equity and justice in the matter.

Mr. FRAZIER. Mr. President, yesterday, when the Senator from Virginia offered his amendment, I made the state-

ment that I had no particular objection to peanuts being included in the bill, but that I thought that if peanuts were included other farm products should also be included. Peanuts and sugar beets were both voted into the bill. Later on an amendment to include flax was voted down. If other products are to be put in, I wish to offer an amendment to include oats in the bill. Oats is the second largest grain crop raised in the United States, and there is a surplus of oats. But the vote upon flax seemed to indicate that there would be no further inclusion of grains, and therefore I made the motion to reconsider the vote by which peanuts were put into the bill.

Mr. GLASS. I move to lay the motion on the table.

Mr. CLARK. Mr. President——

Mr. COUZENS. A parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. COUZENS. The Senator from Virginia has made a motion to lay on the table the motion made by the Senator from North Dakota. Is that debatable?

The PRESIDING OFFICER. It is not.

Mr. CLARK. I rise to a point of order.

The PRESIDING OFFICER. The Senator from Missouri will state his point of order.

Mr. CLARK. While it has unquestionably been the practice, where there was no record vote, to permit any Senator to make a motion to reconsider, nevertheless when a Senator affirmatively states that he did not vote on the prevailing side it flies right in the teeth of the rule to allow that Senator to make the motion. The rule provides:

> When a question has been decided by the Senate, any Senator voting with the prevailing side or who has not voted may * * * move a reconsideration.

The rule does not say anything about whether there is a record vote or not. I insist, Mr. President, that where a Senator affirmatively states that he did not vote with the prevailing side, under the rule he is not entitled to make a motion to reconsider.

Mr. HARRISON. I ask for the regular order.

The PRESIDING OFFICER. The regular order is demanded.

Mr. CLARK. I ask for a ruling on my point of order. I make the point of order that the Senator from North Dakota is not entitled to make a motion to reconsider.

The PRESIDING OFFICER. The point of order is overruled.

Mr. CLARK. I appeal from the decision of the Chair.

Mr. ROBINSON of Arkansas. I move to lay the appeal on the table.

Mr. LONG. I ask for the yeas and nays.

Mr. GLASS. I hope the Senator from Missouri will withdraw his point of order.

Mr. CLARK. In deference to the request of the Senator from Virginia, I withdraw the appeal.

Mr. GLASS. I renew my motion to lay on the table the motion of the Senator from North Dakota.

Mr. HARRISON. I ask for the yeas and nays.

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

Mr. COPELAND (when his name was called). Making the same announcement as before regarding my pair, I transfer it to the Senator from Montana [Mr. WHEELER] and vote "yea."

Mr. LOGAN (when his name was called). I have a general pair with the junior Senator from Pennsylvania [Mr. DAVIS], who is absent on account of illness. I am not advised as to how he would vote on this question, if present. I find that I can transfer my pair to the senior Senator from Arizona [Mr. ASHURST]. I make that transfer and will vote. I vote "yea."

Mr. NORBECK (when his name was called). On this question I have a pair with the Senator from North Carolina [Mr. REYNOLDS]. If permitted to vote, I should vote "nay."

The roll call was concluded.

Mr. COPELAND (after having voted in the affirmative). I find that upon this vote I am paired with the Senator from Virginia [Mr. BYRD], and, therefore, I withdraw my vote.

Mr. McNARY. I wish to announce the following general pairs:

The Senator from Vermont [Mr. DALE] with the Senator from New Mexico [Mr. BRATTON]; and

The Senator from Ohio [Mr. FESS] with the Senator from Montana [Mr. WHEELER].

Mr. LEWIS. I wish to announce that the following Senators are necessarily detained from the Senate on official business:

The Senator from Arizona [Mr. ASHURST], the Senator from Tennessee [Mr. BACHMAN], the Senator from Kentucky [Mr. BARKLEY], the Senator from Virginia [Mr. BYRD], the Senator from Wyoming [Mr. KENDRICK], the senior Senator from Nevada [Mr. PITTMAN], the junior Senator from Nevada [Mr. McCARRAN], the Senator from North Carolina [Mr. REYNOLDS], the Senator from Utah [Mr. THOMAS], and the Senator from Montana [Mr. WHEELER].

The roll call resulted—yeas 38, nays 38, as follows:

YEAS—38

Adams	Couzens	Keyes	Thomas, Okla.
Austin	Dickinson	Lonergan	Townsend
Bailey	Dill	Long	Trammell
Barbour	George	McGill	Tydings
Bulkley	Glass	Metcalf	Vandenberg
Caraway	Goldsborough	Neely	Wagner
Carey	Hastings	Patterson	Walcott
Clark	Hatfield	Pope	Walsh
Coolidge	Hayden	Russell	
Costigan	Kean	Stephens	

NAYS—38

Bankhead	Duffy	Logan	Robinson, Ind.
Black	Erickson	McAdoo	Schall
Bone	Fletcher	McKellar	Sheppard
Brown	Frazier	McNary	Shipstead
Bulow	Gore	Murphy	Smith
Byrnes	Hale	Norris	Steiwer
Capper	Harrison	Nye	Van Nuys
Connally	King	Overton	White
Cutting	La Follette	Reed	
Dieterich	Lewis	Robinson, Ark.	

NOT VOTING—19

Ashurst	Byrd	Hebert	Pittman
Bachman	Copeland	Johnson	Reynolds
Barkley	Dale	Kendrick	Thomas, Utah
Borah	Davis	McCarran	Wheeler
Bratton	Fess	Norbeck	

The VICE PRESIDENT. On this vote the yeas are 38 and the nays are 38——

Mr. LONG. A parliamentary inquiry. When the vote is a tie——

The VICE PRESIDENT. The Chair declares——

Mr. McADOO. I beg leave to change my vote from "nay" to "yea." I voted under a misapprehension.

The VICE PRESIDENT. The motion to lay on the table is rejected.

Mr. LONG. The Senator from California has asked to change his vote from "yea" to "nay."

Mr. COUZENS. The Senator cannot do that after the result has been announced.

Mr. McKELLAR. That cannot now be done.

The VICE PRESIDENT. After the vote has been announced the change cannot be made. The question recurs on the motion of the Senator from North Dakota [Mr. FRAZIER] to reconsider the vote whereby the amendment of the Senator from Virginia was adopted.

Mr. HARRISON. I ask for the yeas and nays.

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

Mr. LOGAN (when his name was called). I have a general pair with the junior Senator from Pennsylvania [Mr. DAVIS], who is ill and absent. I therefore withhold my vote.

Mr. NORBECK. Making the same announcement as before with reference to my pair with the Senator from North Carolina [Mr. REYNOLDS], I withhold my vote.

The roll call was concluded.

Mr. COPELAND. Upon this question I have a pair with the Senator from Ohio [Mr. FESS]. I transfer that pair to

the Senator from Montana [Mr. WHEELER], and will vote. I vote "yea."

Mr. LEWIS. I wish to announce that the Senator from New Mexico [Mr. BRATTON] is paired with the Senator from Vermont [Mr. DALE].

I also wish to announce that the following Senators are necessarily detained from the Senate on official business: The Senator from Arizona [Mr. ASHURST], the Senator from Kentucky [Mr. BARKLEY], the Senator from Arizona [Mr. HAYDEN], the Senator from Wyoming [Mr. KENDRICK], the junior Senator from Nevada [Mr. MCCARRAN], the Senator from North Carolina [Mr. REYNOLDS], the senior Senator from Oklahoma [Mr. THOMAS], and the Senator from Montana [Mr. WHEELER].

The result was announced—yeas 41, nays 39, as follows:

YEAS—41

Bachman	Cutting	Lewis	Sheppard
Bankhead	Dickinson	McKellar	Shipstead
Black	Dieterich	McNary	Steiwer
Bone	Duffy	Murphy	Tydings
Brown	Erickson	Norris	Van Nuys
Bulow	Frazier	Nye	Wagner
Byrnes	Gore	Overton	Walsh
Capper	Hale	Pittman	White
Connally	Harrison	Reed	
Coolidge	King	Robinson, Ark.	
Copeland	La Follette	Schall	

NAYS—39

Adams	Costigan	Kean	Robinson, Ind.
Austin	Couzens	Keyes	Russell
Bailey	Dill	Lonergan	Smith
Barbour	Fletcher	Long	Stephens
Borah	George	McAdoo	Thomas, Utah
Bulkley	Glass	McGill	Townsend
Byrd	Goldsborough	Metcalf	Trammell
Caraway	Hastings	Neely	Vandenberg
Carey	Hatfield	Patterson	Walcott
Clark	Hebert	Pope	

NOT VOTING—15

Ashurst	Davis	Kendrick	Reynolds
Barkley	Fess	Logan	Thomas, Okla.
Bratton	Hayden	McCarran	Wheeler
Dale	Johnson	Norbeck	

So Mr. FRAZIER's motion to reconsider the vote whereby the amendment of the Senator from Virginia [Mr. GLASS] was adopted was agreed to.

The VICE PRESIDENT. The question now recurs on agreeing to the amendment offered by the Senator from Virginia [Mr. GLASS].

Mr. LONG. Mr. President, I do not think we ought to decide this matter so hastily. We have been going entirely too fast to suit me. It was very unfortunate that the vote was a tie vote—38–38—and but for the mistake of the Senator from California [Mr. MCADOO] it would have been 39 to 37. Then we have the further difficulty of the transferring of pairs having thrown 2 or 3 votes out of line. Several Members of the Senate thought the question was settled.

I want to suggest, instead of undertaking to dispose of the question now, several Senators being absent, that we postpone a vote on the matter until we have disposed of some other questions. I am not asking any more than I have granted. I consented to the displacement of my amendment the other day in order that we might go ahead with other amendments. I do not think we should vote on this question today, or at least at this time.

Mr. ROBINSON of Arkansas. Mr. President, I ask the attention of the Senator from Oregon [Mr. MCNARY]. It seems to me the time has arrived when a limitation might very well be agreed upon looking to the conclusion of the consideration of the bill at least sometime tomorrow. My thought has been that if we could complete the bill and, perhaps, dispose of one or two other relatively small matters, we could recess over the week-end and thus afford Senators an opportunity to clear up work in their offices, and committees the opportunity of completing some of their work. Almost a week ago negotiations were in progress for an arrangement limiting debate, and they narrowly failed of agreement.

Almost every phase of the bill has been discussed. It is true there are a number of so-called "perfecting amendments" which are yet to be disposed of, and there is one important amendment in the nature of a substitute to the bill; but every issue that will arise under the amendment last referred to has already been discussed at length in the Senate, so it seems to me with the limitation I am going to propose that we ought to be able to reach an agreement.

I ask unanimous consent that future debate on the bill be limited so that no Senator may speak more than once or longer than 15 minutes on the bill, or more than once or longer than 15 minutes on any amendment that may be pending or that may be offered.

The VICE PRESIDENT. Is there objection?

Mr. LONG. Mr. President, I am going to object and half a dozen more Senators are going to object to any kind of an agreement at this stage of the proceedings.

Mr. ROBINSON of Arkansas. Then I move to lay on the table the amendment which was just reconsidered, known as "the peanuts amendment," and on that I demand the yeas and nays.

The yeas and nays were ordered.

Mr. CLARK. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. CLARK. If the motion of the Senator from Arkansas is agreed to, does it carry with it the bill?

The VICE PRESIDENT. It does not. The question is on agreeing to the motion of the Senator from Arkansas to lay on the table the so-called "peanut amendment."

Mr. MCCARRAN. Mr. President, has the Chair answered the parliamentary inquiry of the Senator from Missouri?

The VICE PRESIDENT. The Chair did answer the inquiry. If the motion of the Senator from Arkansas is agreed to, it does not carry with it the bill. The yeas and nays having been ordered, the clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. COPELAND (when his name was called). On this matter I have a pair with the senior Senator from Ohio [Mr. FESS], which I transfer to the senior Senator from Montana [Mr. WHEELER], and vote "yea."

Mr. LOGAN (when his name was called). Making the same announcement as on the previous vote, I withhold my vote.

Mr. NORBECK (when his name was called). On this question I am paired with the junior Senator from North Carolina [Mr. REYNOLDS], and, therefore, withhold my vote.

The roll call was concluded.

Mr. HEBERT. I desire to announce that the Senator from Vermont [Mr. DALE] has a general pair with the Senator from New Mexico [Mr. BRATTON].

Mr. LEWIS. I desire to announce that the Senator from Kentucky [Mr. BARKLEY], the Senator from Arizona [Mr. HAYDEN], the Senator from Wyoming [Mr. KENDRICK], the Senator from North Carolina [Mr. REYNOLDS], and the Senator from Montana [Mr. WHEELER] are necessarily detained from the Senate on official business.

The result was announced—yeas 44, nays 39, as follows:

YEAS—44

Ashurst	Copeland	King	Robinson, Ark.
Bachman	Cutting	La Follette	Schall
Bankhead	Dickinson	Lewis	Sheppard
Black	Dieterich	Lonergan	Shipstead
Bone	Dill	McKellar	Steiwer
Brown	Duffy	McNary	Thomas, Utah
Bulow	Erickson	Murphy	Tydings
Byrnes	Frazier	Norris	Van Nuys
Capper	Gore	Nye	Wagner
Connally	Hale	Overton	Walsh
Coolidge	Harrison	Pittman	White

NAYS—39

Adams	Costigan	Keyes	Robinson, Ind.
Austin	Couzens	Long	Russell
Bailey	Fletcher	McAdoo	Smith
Barbour	George	McCarran	Stephens
Borah	Glass	McGill	Thomas, Okla.
Bulkley	Goldsborough	Metcalf	Townsend
Byrd	Hastings	Neely	Trammell
Caraway	Hatfield	Patterson	Vandenberg
Carey	Hebert	Pope	Walcott
Clark	Kean	Reed	

NOT VOTING—12

Barkley	Davis	Johnson	Norbeck
Bratton	Fess	Kendrick	Reynolds
Dale	Hayden	Logan	Wheeler

So the motion of Mr. ROBINSON of Arkansas to lay the amendment on the table was agreed to.

The VICE PRESIDENT. Are there other amendments to title I?

Mr. CLARK. Mr. President, I offer an amendment which I send to the desk and ask to have stated.

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

The LEGISLATIVE CLERK. The Senator from Missouri offers the following amendment:

On page 8, line 17, add a new paragraph, to be known as "paragraph (5)", as follows:

"(5) The expenditures for purposes of administration authorized in this act shall not exceed 5 percent of the amount collected under the tax on processors herein authorized."

Mr. CLARK. Mr. President, this bill levies a tax directly on the processors of every agricultural product included in the bill, and indirectly on the consumers of those products, for the avowed purpose of conferring benefits upon the producers and farmers of the United States.

We have all seen, in the last 4 years, the disgraceful episode in which vast sums of money appropriated for the use of the Farm Board have been very largely dissipated in the payment of enormous and outrageous salaries to the officials of the Farm Board and the officials of the cooperatives organized under the Farm Board. It seems to me that there should be some limitation placed in this bill as to the expense of its administration. A limitation of 5 percent on the amount of the processors' tax collected is certainly a very liberal allowance for administration to enable the Secretary of Agriculture to carry out the purposes of the measure.

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

Mr. TRAMMELL. Mr. President, I favor the amendment of the Senator from Missouri; but it strikes me it would be advisable to include in the amendment, or some other paragraph of the bill, a requirement that an itemized statement should be made of the expenditures incurred in carrying on the machinery provided by the bill, and that this information should be transmitted to Congress, say, every 6 months, anyway.

Mr. CLARK. Mr. President, if the Senator from Florida will prepare such an amendment, so far as I am concerned I shall be glad to vote for it.

Mr. TRAMMELL. I have not even seen the amendment of the Senator from Missouri. I have just heard it read. I think I shall prepare an amendment of that character. I think the provision suggested by the Senator from Missouri is a very wise one.

We all know, from our experience with the Farm Board when we had up the discussion of the confirmation of the members of the Farm Board some few months ago, that information was brought to the Senate at that time of the waste and extravagance of that Board in its administration in the way of extravagant salaries and in the way of duplication of work. There were a number of its employees who were drawing salaries ranging from $20,000 to $35,000 a year, one drawing $50,000, and another $65,000.

Mr. KING. Seventy-five thousand dollars.

Mr. TRAMMELL. Seventy-five thousand dollars; I am corrected. I believe that in all of this legislation we should make an effort to place some restriction upon these extravagant salaries and the waste of the public funds in that way.

The American people now are more or less antagonistic to Government employees, and they are almost maddening in their demands for economy; but those demands for economy, so far as the American people are concerned, do not stop at the person who receives only a small salary. It sometimes seems to me that on the part of those who are legislating, when we get beyond a small salary, the tendency is to permit the officials to proceed as rapidly as they wish and as often as they wish in doling out excessive salaries—ten, fifteen, twenty, or twenty-five thousand dollars.

When we had up here the question of restricting salaries and lowering salaries, the Senate will recall that an effort was made on the part of some of us to have a graduated salary reduction, the percentage increasing as the salary went higher, and that that was voted down by a good majority of the Members of the Senate.

I was very much delighted to see that the Florida Legislature, a few days ago, when they took up the question of reducing salaries, stated in the measure which was before the house, and later the senate, that the person who received ten, twelve, or fifteen thousand dollars salary per annum could stand a greater percentage of reduction than some person who was receiving only $1,200, $1,500, or $2,000 salary.

I mention these features because I forecast, and it is my opinion, that before the legislative bodies of this country get through with the question of economy in salaries the American people are going to demand a larger reduction and a greater percentage of reduction on those who can afford to have their salaries reduced more than those drawing the small salaries. This proposal, I think, will have a splendid deterrent effect; and I hope the amendment of the Senator from Missouri will be adopted.

Mr. KING. Mr. President, before the vote is taken I should like to ask the Senator from Missouri whether he has made any investigation to ascertain the probable amount of the tax that will be collected under this bill?

Mr. CLARK. No; I have not, I will say to the Senator. I have heard it estimated at $800,000,000 here on the floor; but I presume one man's guess is as good as that of another.

Mr. KING. May I ask the Senator from South Carolina [Mr. SMITH] if, in the investigations made by his committee, any data were submitted which would enable him to form an opinion as to the amount of tax that will be collected?

Mr. SMITH. There were not; and, Mr. President, it seems to me to be practically impossible to estimate just what may be the expenditures necessary to put this plan into operation.

In the first place, not all of the articles included may call for expenditures. Others may call for expenditures. No estimate was made—and that question was discussed before the committee—as to what would be the probable cost; and it was impossible for us to ascertain from those who drafted the bill and brought it in and discussed it what might be the cost.

Necessarily, as the Senator can see, this being an experiment in an untried field no one knows just how many persons will be employed or just what the necessary expense will be. It is my opinion that in reference to that feature we shall have to take this matter on faith, just as we are taking the plan that is involved here; and that, I presume, is the reason why no estimate of the expense was made. If we intend to try this experiment, I do not see how we can begin by fixing an arbitrary amount beyond which the officials may not go in administering the act, because the success of the very experiment itself may depend upon the amount necessary to put it into operation.

Mr. KING. Mr. President, evidently the Senator has in his mind the Scripture which says that—

Faith is the substance of things hoped for, the evidence of things not seen.

Mr. SMITH. Yes; that is very good.

Mr. KING. And, if the present administration were to follow the unwise and impractical policies of the preceding administration in dealing with farm relief, the expenditures involved in enforcing this bill will be larger than many anticipate. Bureaucracy is a system or condition which functions with but slight variation in all administrations.

The statement just made by the Senator from Florida [Mr. TRAMMELL] does not tell the entire story of the profligate waste incident to the administration of the farm bill. The salaries were outrageous; the number of employees was greatly in excess of any legitimate demands; and the policies adopted were so unsound that failure was inevitable.

I am advised that quite recently, under the old administration, in the execution of the act respecting the loaning of money for crop production, as high as 1,400 employees were added to the already large personnel of the Agricultural Department. I have no doubt that under this bill, unless there are some restrictions—because we know the tendency of bureaucracy, whether Republicans or Demo-

crats are in power—there will be an enormous army of employees, and salaries will be paid that are wholly unjustifiable and expenditures made that may not be warranted.

However, the attitude of the President in regard to governmental expenditures is reassuring. We know that he is determined to reduce expenses and to introduce needed economies into all branches of the Government. The Agricultural Department has for a number of years been extravagant in its administration and ambitious for more authority and power. It is still manned by many officials who have been guided by the former spirit and policies of the Department. We have reason to believe, however, that the new Secretary of Agriculture will exercise prudence and be guided by the spirit of economy and the desire to efficiently administer the heavy responsibilities of his office.

I have been informed that the bill before us, when in full operation, will raise commodity prices one or two billion dollars, and, of course, the costs of administration will be very great. It would seem that there should be some limitation either on the aggregate amount to be expended to meet the costs of administration or on the salaries that shall be paid.

Unless further light is shed upon this matter, I shall be inclined to support the amendment offered by the Senator from Missouri. I regret that we are left without adequate information to enable us to determine just what limits should be fixed.

Mr. McCARRAN. Mr. President, I desire to ask a question of the Senator from Utah. Do I understand him to say that there will be a billion or two billion dollars tax levied upon the people of this country to enforce this law? Am I in error in my understanding of the Senator's statement?

Mr. KING. Mr. President, perhaps I did not state the matter accurately. My understanding is that it is claimed by the proponents of this bill that the costs of agricultural commodities affected by this bill will be increased more than a billion dollars, which, of course, the people will be compelled to pay. As to the amount of taxes the processors and others who may come within the terms of the bill will have to pay, I am unable to state. I have heard it stated that the taxes would exceed $1,000,000,000 and that the increased cost to the consumers of the products affected by this bill would exceed that sum. I regret that we do not have full data in order that we may accurately decide this question.

Mr. CLARK and other Senators addressed the Chair.

The VICE PRESIDENT. The Senator from Nevada has the floor. Does he yield, and if so, to whom?

Mr. McCARRAN. I desire to interrogate the Senator from Utah again in furtherance of my former question. Is it understood that the people of America are to bear a tax of $2,000,000,000 for the operation of the bill now pending before the Senate? I should like to have a categorical answer from the learned Senator from Utah.

Mr. KING. Mr. President, assuming that the Senator is entitled to a categorical reply, I can make no different statement concerning the effect of the bill upon commodity prices than that which I have made. I have heard it stated that this measure is designed to raise the prices of agricultural commodities and that the increase in such prices would be between one and two billion dollars annually. I am not a member of the committee, and do not know whether the testimony before the committee justifies those statements. I merely state, upon information which I think is to be found in the public prints, that it is supposed that this bill will increase commodity prices to the consumers to the extent stated.

Mr. McGILL and Mr. CLARK addressed the Chair.

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

Mr. McCARRAN. I yield to the Senator from Kansas for a question.

Mr. McGILL. I desire to ask the Senator from Utah a question, if I may. As a member of the committee, I may say to the Senator that I fail to recall any testimony in which figures were given such as the Senator has stated on the floor. I am wondering if he is at liberty to give to the Senate the source of his information.

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

Mr. McCARRAN. I yield.

Mr. KING. I think the papers have stated—I know I have read it in some—that the results of this bill would be that the consumers of the United States would be required to pay higher prices for farm products, and that the aggregate amount would be such as I have indicated.

No doubt the Senator will admit that the purpose of the bill is to increase commodity prices and that the consumers will have to pay such increased prices.

Mr. McGILL. Certainly the purpose of the bill is to increase commodity prices, and I am in favor of that being accomplished.

Mr. KING. So am I.

Mr. McGILL. However, I am sure the Senator can only give newspaper rumors as the source of information that this would involve a $2,000,000,000 tax on the American people. He cannot disclose any testimony to that effect given before any of the committees of Congress.

Mr. KING and Mr. CLARK addressed the Chair.

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

Mr. McCARRAN. I yield to the Senator from Utah to reply to the Senator from Kansas.

Mr. KING. With the courtesy of my friend from Nevada, I would like to ask the Senator from Kansas a question.

From the investigations which he has made, what does he think will be the increase in prices of the agricultural products which will be brought within the operations of this bill, directly and indirectly?

Mr. McGILL. I can only answer from the testimony given by the Secretary of Agriculture before the committee with reference to wheat, when he said that the comparative price would be 94 cents a bushel. That was his figure.

I will state to the Senator, however, that I think there is grave doubt as to what expense will be involved in the administration of the bill in the event it becomes a law. By questioning the Secretary of Agriculture and other members of the Department, I sought to get them to give the committee an estimate of what it would cost to administer the proposed law. I have thus far been unable to get any reasonable or fair estimate from any source as to what the amount of the tax will be, or as to what it will cost to administer the bill in the event it becomes a law. I was merely anxious to know the source of the information of the Senator from Utah.

Mr. KING. Mr. President, will the Senator from Nevada yield again?

Mr. McCARRAN. I yield.

Mr. KING. The Senator from Kansas has not furnished very accurate data in regard to the additional costs which will be imposed upon the consumers of the United States by reason of the pending bill. He has referred only to wheat. There have been brought within the terms of the bill a number of other so-called "basic commodities." I think that an increase in the prices of these commodities covered by the bill will be a billion dollars or more. That there should be an increase is admitted by all. I think the prices of the commodities of agriculture have been entirely too low, and I should be glad to see a material increase in the same, notwithstanding the fact that such an increase would entail a larger burden upon consumers. I am not complaining about an increase in commodity prices, and I am inclined to think that, with the amendments which have been made to the bill, there will be an increase in commodity prices, either by reason of this measure, or by inflationary or reflationary processes, or by the upturn in business, of considerably more than a billion dollars. I should hope that there would be an increase in agricultural commodity prices in an amount in excess of a billion dollars. I am only suggesting that there should be some limitation in the bill,

if that can be done, upon the costs of administration. Experience has demonstrated that in the administration of a number of farm measures, as well as others, the costs have been entirely too great.

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

Mr. McCARRAN. I yield.

Mr. TRAMMELL. I would suggest, as an addition to the amendment proposed by the Senator from Missouri, the following language, "and a detailed statement of such expenses shall be submitted to the House and the Senate on the 30th day of June and the 31st day of December of each year by the Secretary of Agriculture."

Mr. CLARK. I accept the amendment.

The VICE PRESIDENT. The clerk will report the modification.

The Chief Clerk read as follows:

But the amount paid for administrative expenses (exclusive of refunds) in any year shall not exceed 5 percent of the amount of the proceeds of the taxes which will be collected during such year under this title, and a detailed statement of such expenses shall be submitted to the House and the Senate on the 30th day of June and the 31st day of December of each year by the Secretary of Agriculture.

Mr. McCARRAN. Mr. President, I am inspired to an expression at this hour by a headline which comes to us in the evening press. I am inspired because it is apparent that the truth is little by little sinking in. With the permission of the Senate, I read a headline appearing in the Evening Star of today:

President halts gold exports as counterdeflationary move; stocks and commodities soar.

Withdraws support of United States dollar in foreign exchanges to aid domestic markets.

This brings us back to what we had here last Monday, and what is written into every line of the pending bill, written into the pending amendment, written into every paragraph and sentence of the bill, and my thought was inspired by the assertion of the learned Senator from Utah as to how that would reflect on the consumer, and how the consumer would derive that which would be necessary from the consumer in order to bear the burden of this measure.

I care not by what avenue we may travel, it makes no difference what road we pursue, there is no question which more engrosses the minds of the Members of the Senate than this: How will the consumer pay?

It is all right to enact legislation, it is all right to say that there will be a tax, it is all right to say, as is said by the learned author of the bill—who, by the way, smiles every time I call him the author of the bill—"This is a glorious experiment." I prefer the word "glorious", because if there is anything on earth that is glorious, it is the farmer, and if there be a sentence in this bill which will give one word of encouragement to the farmers of America I am willing to support the bill. But even the author of the bill refuses to give sanction to the extent that there is a word of encouragement to any angle or development of agricultural pursuit within the lines of the bill. Nor have I heard one Senator, even the learned Senator from Alabama, say that he has confidence in this bill bringing back to the farm life of America the encouragement which the farm life of America wants, and I say in that respect that they do not want the prices of 1929.

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

Mr. McCARRAN. I yield for a question, but not for a speech.

Mr. BANKHEAD. I do not want to make a speech in the Senator's time, but I do not want the Senator, even by indirection, to misconstrue my position on this bill. If the Senator had been patient enough to listen to the various speeches I have made, I am sure he must have heard the repeated statement that I had great faith in the effectiveness of the administration of the bill.

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

Mr. McCARRAN. I yield for a question.

Mr. LONG. I want to direct a question to the Senator, which I hope may attract also the Senator from Alabama. Is it not a fact that the administration's policy today, in line with what some of us attempted a few days ago, which I am sorry the Senator from Alabama did not fall in line with soon enough to get part of the glory, has decided to come around to inflation in order to help the farmer, instead of depending upon this patchwork, silver-sea document?

Mr. BANKHEAD. I may say that I did not want any glory in that connection. I occupied that position before the Senator from Louisiana ever got to the United States Senate. [Laughter.]

Mr. LONG. It is only too bad that we could not have gotten the Senator to vote with us the other day, so that he could have had the continued glory. Nevertheless, I will share with him, for what it is worth, whatever glory I have acquired since I have gotten to the Senate.

Mr. McCARRAN. Mr. President, I do not propose to take up the time of the Senate to any great extent. I have one or two thoughts which have come to me as the result of the headlines in the current press and as a result of the attention I have given to the bill.

There is no more chance for this bill to be successful than there was for another bill of a similar nature to be successful—and it was a colossal failure, as we all admit—unless we will give to those who must bear the burden, the consumers, something with which they can meet the unusual burdens which come out of legislation such as this. Give back to the poor the coin of the poor. Give back to the masses the coin of the masses. Give back to those who purchase that with which they have purchased from time immemorial. Four hundred million of human beings today across the Pacific are hungry to absorb a surplus which this Nation produces. Four hundred million in one country alone, and untold millions in another oriental country ask only for the opportunity to buy.

Do not Senators realize, notwithstanding the price we have placed on their medium of exchange, which is the market price from day to day of silver, that today China absorbs 21 percent of the flour of America? Do you know what it will mean if we will just place their medium of exchange on a common, ordinary, civilized basis, so that they may buy from America that of which America has a surplus?

We have a surplus of wheat, and we have a surplus of cotton. Let us admit that, although it is said we have not a surplus of peanuts. I regret exceedingly that the amendment of the learned Senator from Virginia [Mr. GLASS] has apparently been stricken out of the bill. I voted to put it in the bill. I will vote to put it back again, including any kind of a commodity which will bring back to those who toil something which they toil for. But we cannot bring back to the purchasing masses of America that which they desire unless we give them that with which they purchase.

It is said, however, that we cannot remonetize silver. It is said that we should not try to inflate. It is said that if we remonetize silver, we will destroy. Destroy what?

When we were a cradle nation, only in our swaddling clothes, we declared to the world that our medium of exchange should be gold and silver, and we fixed the parity of the two and the metallic content of each. We did that before we adopted the Constitution of the United States, and we did it after we adopted the Constitution of the United States; and until in 1870 Germany and England demonetized that of which we had a surplus and could supply to the world, it was the standard on a parity with which the poor could purchase; but in 1870 both Germany and England demonetized silver, and in 1873 they sent their envoys here and demonetized silver for us, and they are going to do it again.

Senators talk about an international conference. Who is coming here for the international conference? Ramsay MacDonald, the Premier of Great Britain, is coming for "conversations"; and the international conference will take place thereafter. I wonder if we ever won anything yet in an international conference? If we ever did, I have never heard of it. We can win the power of our courage but apparently we cannot win by the power of our tenacity to a principle.

We sent the greatest American that we ever had across the waters to carry out a great international principle, but when he got over there he was confronted with nationalists and he yielded the great international principle that was uppermost in America at that time, and which is uppermost in America now from the standpoint of heart, blood, and tradition. He yielded that for something else, and he came back and submitted it to the American people; and in 1920 they said, "We will carry out that which you say; it shall be a solemn referendum, solemnly submitted to a people"; and the solemn referendum was returned to him with the word "no." Let the solemn referendum go back to those who speak now while holding us on a gold standard with the solemn enunciation that America will never cancel her foreign debts, will never repudiate the position she occupies, and will never assume a place in the League of Nations.

However, that is aside from the question. The question now is: How will those represented by the Senator from Utah [Mr. KING] pay the $2,000,000,000 that is about to be placed as a new tax upon their shoulders? Where will they acquire the money with which to buy? We took $500,000,000 from them just the other day; we took it from the consumers of this country, from the men who bared their breasts to the foe. We took $500,000,000 from them; but we did more than that: We took from them even the right of hospitalization; we took from them the right to have the ills and woes of which the flesh is heir treated under governmental supervision. We sent their widows and their orphans back again to wonder why the father of the family, the breadwinner, had gone at the mandate of his Nation; and at the same time we spend $500,000,000 to send those who, perhaps, never enlisted, who had no connection whatsoever with the Army that was organized between 1917 and 1919—we send them out under Army supervision for a dollar a day, and God knows for how long they may serve. The question, however, comes back to an assertion made by the learned Senator from Utah, that it will require $2,000,000,000 to administer this bill. If that statement be true—and that is what aroused my attention—this bill should go down to defeat; and I am going to vote for its defeat as long as that assertion stands unchallenged before the Senate.

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

Mr. FRAZIER. Mr. President, I have had one of the legislative reference clerks draft an amendment similar to the one offered by the Senator from Missouri. I believe it is in little better form, and I think it comes in a better place in the bill. My amendment would come in on page 17, at the end of line 5, as a part of that clause, and provides:

> But the amount paid for administrative expenses (exclusive of refunds) in any year shall not exceed 5 percent of the amount of the proceeds of the taxes which will be collected during such year under this title.

The words "exclusive of refunds" are included because, beginning with the paragraph at the bottom of page 16, in line 1, on page 17, it says:

> Administrative expenses, including refunds under parts 1 and 2 of this title.

So I think that provision should be in the bill.

Mr. President, if it is satisfactory to the Senator from Missouri, I should like to offer the amendment as a substitute for his amendment.

Mr. CLARK. Mr. President, I am perfectly willing to accept the amendment of the Senator from North Dakota, except that I think the amendment offered by the Senator from Florida [Mr. TRAMMELL] to my original amendment should be included in the proposed substitute.

Mr. FRAZIER. That should be included also.

The VICE PRESIDENT. Under the parliamentary situation the only way to proceed would be for the Senator from Missouri to withdraw his amendment, since the amendment of the Senator from North Dakota comes at a different point in the bill.

Mr. CLARK. I am willing to do that if the Senator from North Dakota will include the amendment of the Senator from Florida.

Mr. FRAZIER. I will be glad to do that.

The VICE PRESIDENT. Without objection, the amendment of the Senator from Missouri is withdrawn, and the clerk will report the amendment of the Senator from North Dakota as amended by the Senator from Florida.

The LEGISLATIVE CLERK. On page 17, line 5, immediately before the period, it is proposed to insert a semicolon and the following:

> But the amount paid for administrative expenses (exclusive of refunds) in any year shall not exceed 5 percent of the amount of the proceeds of the taxes which will be collected during such year under this title, and a detailed statement of such expenses shall be submitted to the House and the Senate on the 30th day of June and the 31st day of December of each year by the Secretary of Agriculture.

The VICE PRESIDENT. The question is on agreeing to the amendment of the Senator from North Dakota.

Mr. SMITH. Mr. President, before the vote is taken, I must submit to the consideration of the Senate the fact that as to the taxes to be collected there is a time limit and there is also authority for the extension of payments. The salaries and expenses will be running on and will be taken, of course, from such proceeds as may be collected. I cannot see how in an indefinite measure such as this we can definitely state any amount to be allotted for expenses. We do not know how many commodities will be included, and we do not know anything about the number of persons who may be employed to administer the proposed law.

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

Mr. SMITH. Yes.

Mr. CLARK. Does not the Senator think there ought to be something definite about this bill?

Mr. SMITH. I would have liked to have the bill a little more definite than it is; but, since we have it, I want to make a statement I have not heretofore made.

The President of the United States, desiring to aid agriculture, submitted a draft to the representatives of the organized groups of farmers, if there are any organized groups of farmers. They got together and arranged this bill.

Mr. CLARK. Mr. President, will the Senator yield further?

Mr. SMITH. I yield.

Mr. CLARK. Is not this the same group of farmers and farm-organization leaders that got together and arranged the Farm Board bill 4 years ago?

Mr. SMITH. I do not know about that; I am not going to enter into that at all. What I am going to say is that the Chief Executive called in the representatives of the farmers, so called—and perhaps they were—and they agreed on a certain form of legislation. That form of legislation was drafted by them with the aid of the man who was appointed Secretary of Agriculture; the draft was furnished to the Congress ready-made, and it was furnished with the endorsement of the administration. When it came before our committee I frankly admit that I was under the impression that certain modifications could be made with the approval of the administration, but the committee was advised that the bill, as was and is, was what was desired.

I want to state here that I am not going to subject my convictions to any man, but I will not throw any monkey wrenches in the machinery. I simply, as a loyal Democrat, and one loyal to the administration, am going to let this measure, so far as I am concerned, become a law, if possible. The responsibility is not upon me.

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

Mr. SMITH. I yield.

Mr. CLARK. Does the Senator think that the expenses of administration under this proposed act ought to exceed 5 percent of the processing tax which is to be collected?

Mr. SMITH. I do not know how the expenses will run; I do not know anything about it.

Mr. CLARK. Does not the Senator think some limitation ought to be put in the bill?

Mr. SMITH. All that I know is that it is an untrod path, that it is an experiment, and that the President himself has said that if his attempt or the attempt of those whom he shall appoint to administer it proves a failure, he will withdraw it.

Mr. McCARRAN. Mr. President——

Mr. SMITH. Just let me finish this statement, because I think it is due me to make it.

Mr. McCARRAN. Under those circumstances I would not interrupt the Senator for the world.

Mr. SMITH. I think it is due me and to the party to which I belong to have a clear, definite understanding of my relation to this measure. Had I had my way, I would have drafted a vastly different bill. It might not have been any better than the pending bill—I started to say "it could not have been any worse", but I will leave that out. [Laughter.] However, be the bill as it may, I am going to stand here, as I have stood, and deal as fairly with it as it is possible for me to deal with it, and I believe that every colleague I have on this floor will bear me out when I say I have dealt fairly and more than fairly under the circumstances.

Now we are going to attempt to set limitations by providing how much shall be allowed for expenses of administration. It may be like the first pocketbook I ever bought. I had 50 cents; I saw somebody have a pocketbook; I thought any man as rich as I was needed a pocketbook; so I went and spent 50 cents for a pocketbook, and then did not have anything to put in it, which nearly broke my heart. [Laughter.] I thought when I bought the pocketbook I would have the 50 cents to put in it, but the pocketbook cost 50 cents, and I had the pocketbook but no 50 cents. Of course, I do not know what the administration of this proposed act is going to cost, but I do plead with this body, with this bill as it is, to give the administration and the Department of Agriculture a free hand to work out this problem, which I would not undertake for all the money in America.

I am going to do my best to see that the bill, as nearly as may be, is passed as is, so far as the part they drafted is concerned. The part I drafted is fine, and nobody can deny that. [Laughter.] I had the compliment paid me the other day by a Senator who said that the upper part of the sandwich was good and the lower part of the sandwich was good, but the interior thereof was not so good. I plead with my colleagues on this side of the Chamber, and those on the other side as well, to take the bill as is and pass it.

Mr. LONG. Mr. President——

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

Mr. SMITH. I yield.

Mr. LONG. May I ask the Senator one question? I understand the law to be that one who advises another to commit suicide is guilty of a crime. I wonder if the Senator has thought about that?

Mr. SMITH. I know there are some instances in which I would almost be willing to commit that crime if the one I advised would commit suicide! [Laughter in the galleries.]

The VICE PRESIDENT. Let the Chair request the occupants of the gallery not to make a demonstration of any kind. It is in violation of the rules of the Senate.

Mr. SMITH. Mr. President, it is not a very pleasant task at best, but I am tired of the insinuation being made that I am disloyal and not doing my duty.

Mr. McCARRAN. Mr. President——

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

Mr. SMITH. I decline to yield just now.

The VICE PRESIDENT. The Senator from South Carolina declines to yield.

Mr. SMITH. I not only have done my duty, but I think I am doing a little more perhaps. As the Senator from Virginia [Mr. GLASS] remarked once, there comes a time in the lives of men when they have to rise above principle. [Laughter.]

I do not want any mistake about this measure. There is not a man on the floor who does not understand the origin of the bill and the purpose of the bill. Why should we do other than what we ultimately are going to do—pass the bill?

Mr. McCARRAN. Mr. President, will the Senator yield now?

Mr. SMITH. Very well; I yield.

Mr. McCARRAN. What is the unpleasantness of the Senator's task to which he refers?

Mr. SMITH. The unpleasantness of my task is that there is in the bill a whole portion of it that does not supply what I think is necessary to take care of the desperate condition of that class of people to which I belong and to whom I owe my first and last allegiance. That is it. But I am a loyal Democrat and a loyal party man. The President has asked for this bill to be passed, and, so far as I am concerned, it shall be done. The responsibility is not on me. In this emergency America is looking to him, and, thank God, up to the present time he has driven ahead. He may have made mistakes, but the whole world is applauding the fact that he is doing things. It may be that he will do some of them wrong, but he cannot do anything that is more wrong than the wrong that has been already done.

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

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

Mr. SMITH. I yield.

Mr. McCARRAN. Does the Senator mean by his expression that he places party fealty above the welfare of his people?

Mr. SMITH. No, Mr. President; I mean to say that when the psychology of the situation is such as it is, when the people believe that salvation will come from the President, then I believe in giving him my support. It would seem that if salvation is to come at all it must come from that source, because up to recently under the other administration we were only supposed to be led by the administration, but now we have a man who has pledged himself to redeem the situation, and I, for one, am not going to throw any monkey wrenches in the machinery. I am not going to set my opinion up against him. I am going to take my opinion and keep it to myself. I would not surrender, I would not be guilty of mental prostitution for any man; but I will step aside and let him try this plan, and God knows I wish it all success. I wish that he had been the author of the bill rather than making a promise which in my opinion more or less bound him. I am not going to undertake to describe those who are said to be the authors of the bill. I refrain from that. I think I could make a speech along that line very satisfactory to myself. But I do not want to see the bill made inoperative perhaps in any respect that might be chargeable to others than those who have assumed the responsibility.

Senators will remember that the bill was in the hands of the press before the Committee on Agriculture and Forestry had it. If any member of the committee had a copy of it before the press had it, let him speak out now. It was sent to the press verbatim, et literatim, et seriatim, before any one of us ever had a copy of it. Therefore, as to those who have assumed the responsibility, it is my intention and purpose that they shall bear it, and I hope it will succeed. So far as possible I am going to try to hold it in its integrity.

Mr. President, while I am still on my feet, I want to ask the Senate to remain in session tonight and let us drive ahead with the bill, because if there is any good to come to agriculture from it the time is rapidly passing when it can be of any benefit whatsoever this year. We know that the bill is going to pass. Why should we not expedite it and give it whatever chance there may be in it to be of benefit to the farmers? There are 1 or 2 sections of the bill or perhaps 3 that I really believe would be of actual benefit if they could be enacted into law. I believe the proposal which I submitted and which was passed would help. I believe the leasing plan would help. I believe the mortgage-relief plan, which did not emanate like the other sections of the bill, but came through the ordinary channels, would be of benefit even if not amended.

God knows and every man from the rural sections knows the horror with which the majority of farmers are facing tomorrow—mortgages being foreclosed, people being dispossessed. Of all the matters that may come before us, the one that should receive the serious consideration of every man here is that voiceless crowd that feed and clothe and shoe the world. We ought not really to experiment. We ought to gird ourselves and settle the question of the expansion of the currency which everybody knows is the foundation upon which any prosperity must rest.

I was interested to hear the Senator from Nevada [Mr. McCARRAN] read the headlines from the afternoon paper to the effect that we have put an embargo upon the exportation of gold, and that we perhaps are entering upon a revision of the contents of the gold dollar so that what we have might be expressed in more currency. What we need is more money with which to buy. That is fundamental. I heard the Senator from Florida [Mr. FLETCHER] say today that what we need is more rapidity of movement of money. The difficulty is that it has moved so very fast during the last year or two that it went clear out of sight.

It is not so much the rapidity of circulation as it is the necessary volume of circulation. This bill and no other bill that we can pass will have a modicum of success in it unless there is the wherewith to make success possible. Suppose we were to raise the price of cotton and wheat without increasin the volume of currency. As the Senator from Idaho [Mr. BORAH] said the other day, we would simply subtract from one element of the people their purchasing power and transfer it to another element, and would not increase the volume one particle. When we raise the price, we decrease the purchasing power and decrease the consumption and leave the farmer and consumer both in identically the same position as when we began.

Mr. President, I do not like to be goaded into making a speech. I prefer to feel like it when I get up to make a speech. I did not feel like it this afternoon. I have sat here patiently day after day, but I do plead with my colleagues to let us vote and get the bill into operation, or at least get it out of the Senate. I do not see any reason why we should not do so. I do not believe we can set any limitation on the expense of administration of the bill and say how much we shall pay or how much we shall not pay, because we do not know and cannot know what will be the necessary and proper amount.

Mr. President, I should like to have a vote on the amendment, and I sincerely hope that the amendment will not prevail.

The VICE PRESIDENT. The question is on the amendment offered by the Senator from North Dakota [Mr. FRAZIER].

Mr. LONG. Mr. President, may we have the amendment stated?

The VICE PRESIDENT. The amendment, as modified, will be restated.

The LEGISLATIVE CLERK. The amendment of the Senator from North Dakota [Mr. FRAZIER], as modified, is as follows:

On page 17, line 5, immediately before the period, insert a semicolon and the following:

"But the amount paid for administrative expenses, exclusive of refunds, in any year shall not exceed 5 percent of the amount of proceeds of the taxes which will be collected during such year under this title; and a detailed statement of such expenses shall be submitted to the House and the Senate on the 30th day of June and the 31st day of December of each year by the Secretary of Agriculture."

The VICE PRESIDENT. The question is on agreeing to the modified amendment offered by the Senator from North Dakota.

Mr. CLARK. I call for the yeas and nays.

Mr. ROBINSON of Arkansas. Mr. President, I do not wish to prolong this debate; but it is perfectly apparent from the consideration of the subject that those charged with the administration of the bill will have no idea, or little idea—they will have no accurate information—as to the amount that they are at liberty to expend in a given year. They will make the expenditure first, and then they will ascertain afterward the amount they should have expended.

The amendment contemplates that the expenses of administering the act for any year shall not exceed 5 percent of the amount received from the taxes levied under the act during that year, so that the expenditures would have been incurred before it could be ascertained how much should be expended.

I do not object to a fair limitation on the expenditures.

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

Mr. ROBINSON of Arkansas. Yes; I yield.

Mr. CLARK. Does not this bill in itself set up machinery for estimating in advance the amount of the processing tax to be collected and appropriate that amount of money out of the Treasury?

Mr. ROBINSON of Arkansas. The bill contemplates the imposition of a tax; but——

Mr. CLARK. I mean, machinery is set up in the bill itself for estimating the amount of taxes to be collected, and that amount is appropriated out of the Treasury.

Mr. ROBINSON of Arkansas. I do not think anyone can tell with approximate accuracy the amount of the tax that will be collected during the year. That cannot be told with respect to income taxes. Certainly it cannot be ascertained with respect to a processing tax when it is not known how much of the commodity is going to be processed.

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

Mr. ROBINSON of Arkansas. I have concluded all I have to say on the subject.

Mr. CLARK. I desire to call the Senator's attention to section (b) on page 17:

The Secretary of Agriculture and the Secretary of the Treasury shall jointly estimate from time to time the amounts currently required for such payments and expenses, and the Secretary of the Treasury shall advance, out of any moneys in the Treasury not otherwise appropriated, to the Secretary of Agriculture the amounts so estimated. The amount of any such advance shall be deducted from such funds as subsequently become available under subsection (a).

It seems to me it is just as easy to estimate the amount of the tax to be collected as it is to make that estimate.

Mr. ROBINSON of Arkansas. Oh, no; I do not think that is true at all. I think the two Secretaries could make an estimate of the amount of expense they were going to incur in administering the act because they would probably know, after proceeding a little way, what agencies would be employed.

Mr. TRAMMELL. Mr. President, I hope we shall have a yea-and-nay vote on this matter. I think there is no reason why we should not make some restriction upon the expenditures.

The people of the country quite generally know—and I presume every Senator knows—that if we leave the floodgates open for the handling of public expenditures, there is always waste and extravagance and a preying upon the public money of the people of the country. We should, if possible, make some limitation on it. If these officials find they are in trouble by reason of the limitation, they can come to Congress and get additional funds. There is no reason why they should not come in with their balance sheets and demonstrate to Congress why they have expended more than 5 percent, that being the limitation. If it were done, then Congress would have an opportunity to pass upon this question.

I dare say that if, during the last 4 years, Congress had scrutinized the accounts and the expenditures of the various independent agencies and bureaus of the Government, even with the liberal spirit of many of our Senators, the American taxpayers would have been several million dollars better off than they are today. I do not think I would be extravagant in saying that they would be $25,000,000 better off if there had been more careful scrutiny of the expenditures.

Sooner or later, unless some corrections are made, we are going to have to go behind the Reconstruction Finance Corporation, the Fleet Corporation, the Shipping Board, and various other independent governmental agencies, and check

them in their mad waste of the money of the taxpayers of America; and I think we might as well start off right with this agency.

I hope we shall have a yea-and-nay vote on the amendment.

Mr. CLARK. I call for the yeas and nays.

The yeas and nays were ordered.

The PRESIDING OFFICER (Mr. GEORGE in the chair). The question is on the amendment of the Senator from North Dakota [Mr. FRAZIER], as modified. On that amendment the yeas and nays have been demanded and ordered. The clerk will call the roll.

The legislative clerk called the roll.

Mr. COPELAND. Upon this question I have a pair with the Senator from Ohio [Mr. FESS]. I transfer that pair to the Senator from Montana [Mr. WHEELER], and will vote. I vote "nay."

Mr. LEWIS. I desire to announce that the following Senators are absent on official business:

The Senator from Idaho [Mr. POPE]; the Senator from North Carolina [Mr. REYNOLDS]; the Senator from Oklahoma [Mr. THOMAS]; and the Senator from Montana [Mr. WHEELER].

Mr. HEBERT. I desire to announce the following general pairs:

The Senator from Vermont [Mr. DALE] with the Senator from New Mexico [Mr. BRATTON];

The Senator from Pennsylvania [Mr. DAVIS] with the Senator from Kentucky [Mr. LOGAN];

The Senator from South Dakota [Mr. NORBECK] with the Senator from North Carolina [Mr. REYNOLDS]; and

The Senator from Oregon [Mr. STEIWER] with the Senator from Idaho [Mr. POPE].

The result was announced—yeas 50, nays 32, as follows:

YEAS—50

Adams	Dickinson	King	Schall
Austin	Fletcher	Lonergan	Shipstead
Bachman	Frazier	Long	Stephens
Bailey	Glass	McAdoo	Townsend
Barbour	Goldsborough	McCarran	Trammell
Borah	Gore	McNary	Tydings
Byrd	Hale	Metcalf	Vandenberg
Capper	Hastings	Neely	Van Nuys
Caraway	Hatfield	Nye	Walcott
Carey	Hebert	Patterson	Walsh
Clark	Johnson	Reed	White
Costigan	Kean	Robinson, Ind.	
Couzens	Keyes	Russell	

NAYS—32

Ashurst	Byrnes	George	Norris
Bankhead	Connally	Harrison	Overton
Barkley	Coolidge	Hayden	Pittman
Black	Copeland	Kendrick	Robinson, Ark.
Bone	Dieterich	Lewis	Sheppard
Brown	Dill	McGill	Smith
Bulkley	Duffy	McKellar	Thomas, Utah
Bulow	Erickson	Murphy	Wagner

NOT VOTING—13

Bratton	Fess	Norbeck	Steiwer
Cutting	La Follette	Pope	Thomas, Okla.
Dale	Logan	Reynolds	Wheeler
Davis			

So Mr. FRAZIER's amendment, as modified, was agreed to.

Mr. CLARK. Mr. President, I offer a further amendment, which I send to the desk.

The PRESIDING OFFICER. The Senator from Missouri offers an amendment, which will be stated.

The LEGISLATIVE CLERK. The Senator from Missouri proposes the following amendment:

On page 16, line 5, insert a new paragraph, to be known as "paragraph (i)", as follows:

"(i) The officers, agents, inspectors, and employees authorized by the terms of this act shall as far as possible be practical farmers, and the field of employment of such officers, agents, inspectors, and employees shall be limited to the congressional districts in which they reside."

Mr. SHIPSTEAD. Mr. President, I ask unanimous consent to have printed in the RECORD and to lie on the table a resolution passed by the Legislature of Minnesota, in the form of a petition, referring to the pending bill.

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

STATE OF MINNESOTA,
DEPARTMENT OF STATE.

I, Mike Holm, secretary of state of the State of Minnesota, do hereby certify that I have compared the annexed copy with record of the original instrument in my office of H.F. No. 1954, being resolution no. 19, laws of Minnesota, 1933, filed in this office on the 15th day of April A.D. 1933, and that said copy is a true and correct transcript of said instrument and of the whole thereof.

In testimony whereof I have hereunto set my hand and affixed the great seal of the State, at the capitol, in St. Paul, this 17th day of April A.D. 1933.

[SEAL]

MIKE HOLM,
Secretary of State.

Joint resolution to the House of Representatives and Senate of the United States concerning national legislation providing for refinancing of agricultural loans at lower rates of interest

Be it enacted by the Legislature of the State of Minnesota—

Whereas an emergency exists in this State whereby large numbers of farmers therein have lost or are losing their life's earnings for failure to meet interest payments through no fault of their own, with present conditions and high interest rates continuing, that such an emergency will continue for an indefinite time unless remedied by national legislation, providing for refinancing of farm loans at lower interest rates;

Whereas due to the emergency now existing the interest of both borrowers and lenders on farm lands within this State are mutual, that interest rates are so high and price levels so low that borrowers are unable to pay existing rates, and lenders are unable to collect, due to the situation thus created; and

Whereas it is the desire of the legislature of this State that occupying farm owners be permitted to refinance farm loans at lower interest rates, making possible for them to remain in their homes and, inasmuch as there is now pending a refinancing bill in the Congress of the United States, which provides for administration, methods of financing, and reduction of interest rates to 4½ percent: Therefore be it

Resolved by the Legislature of the State of Minnesota, That we regard such rates as provided for in this refinancing measure as too high to be of sufficient value to the farmers of Minnesota at this time and therefore we urge the Congress of the United States to lower the interest rate provided for in this bill to 3 percent per annum.

CHAS. MUNN,
Speaker of the House of Representatives.
K. K. SOLBERG,
President of the Senate.

Passed the house of representatives the 11th day of April 1933.

FRANK T. STARKEY,
Chief Clerk House of Representatives.

Passed the senate the 10th day of April 1933.

G. H. SPAETH,
Secretary of the Senate.

Approved April 15, 1933.

FLOYD B. OLSON,
Governor of the State of Minnesota.

Filed April 15, 1933.

MIKE HOLM,
Secretary of the State of Minnesota.

Mr. CLARK. Mr. President, in all human probability, the force to be employed in the administration of the proposed law will comprise a body of men larger than the Army and Navy of the United States combined, added to the reforestation army which has just been created.

We have all had some experience in the administration of laws by the various bureaus of the Government. Under the crop production law it has been customary to take citizens of South Carolina and send them to Missouri, where they know nothing about the crops which are produced, or to have citizens of Missouri sent to Colorado, or Oklahoma, or Texas, where they are unfamiliar with crop conditions.

I believe that the adoption of some such amendment as that I have offered is absolutely necessary in order to prevent a horde of college professors and theorists and carpetbaggers descending on the farm population of the United States. Certainly there is nothing unreasonable in asking that the proposed act be administered by practical farmers, men who know something about agricultural conditions, and that it be administered in the various localities by those living there.

The PRESIDING OFFICER. The question is on agreeing to the amendment submitted by the Senator from Missouri [Mr. CLARK].

The amendment was agreed to.

Mr. CLARK. Mr. President, I offer a further amendment, which I send to the desk.

The PRESIDING OFFICER. The clerk will state the amendment submitted by the Senator from Missouri.

The LEGISLATIVE CLERK. The Senator from Missouri proposes the following amendment:

On page 7, line 2, after the word "payments", to add the following: *"Provided, however,* That during the year 1933 no land shall be leased for the purpose of reduction of acreage in any commodity except winter wheat sown for 1934."

Mr. CLARK. Mr. President, the purpose of this amendment is to prevent the leasing of land for the purpose of reducing production which could not be used for production, anyhow. It is perfectly apparent to anybody that by the time this act can be passed and go back to the House and go through conference and the administrative machinery is set up, it will be too late to affect any crop to be planted this year, except winter wheat, which will be planted next fall for harvesting next year. While, of course, I realize that it is physically possible to plant cotton in some parts of the United States as late as June, nevertheless it is impossible to set up the machinery required in time to affect that crop. Moreover, the provisions of the bill which comprise the Smith bill passed by the Senate in the last Congress admirably meet the cotton-reduction problem for the present year. The whole purpose of my amendment is to prevent the squandering of public money in any such fashion.

Mr. SMITH. Mr. President, perhaps the major purpose of the bill is to have a reduction in acreage, even where planting has been completed this year. I have been in consultation with some of those who will be charged with the administration of the law, and am informed that arrangements may yet be made, even where certain crops have been planted, to have them abandoned in order to bring about the situation that is desired in the passing of this legislation.

If this amendment should be adopted now, it would make the proposed law, so far as this year is concerned, practically worthless. I do not see why those who have sown wheat or planted cotton and tobacco may not reduce their acreage under the rental or leasing system, with an advantage still to themselves, under the terms of the proposed leasing provision, which is to give them a certain amount for rental.

It is needless for me to call to the attention of men here who have read the bill to the fact that with this amendment in it the whole purpose of the bill would be practically nullified.

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

Mr. SMITH. I yield.

Mr. CONNALLY. Is it not true that in many of the cotton areas cotton can be planted up to the middle of June?

Mr. SMITH. Yes, Mr. President; all of those who are familiar with the cotton section of the country know that cotton may be planted up to the 15th of June, and even that which is planted now could be abandoned with profit, under the terms of the leasing plan, to which I referred a while ago. In my opinion, the leasing plan holds out more hope than almost any of the other propositions in the measure. The others may work out all right, but this would have its effect, not on the part of the commodity domestically consumed but on the market price of the whole commodity. I do not think we ought to limit it if the bill is to have its greatest effect.

Mr. BANKHEAD. Mr. President, I want to call attention to the fact that if this amendment is adopted, it will limit the application of the bill to the allotment plan on everything but wheat. It would exclude the application of the rental and leasing plan from every other commodity in the bill except wheat. I do not know of a single Senator from the Cotton Belt, from the real cotton States, who favors the proposition. As the Senator from South Carolina has stated, the most hopeful plan, so far as cotton is concerned, at least, with its very large exportable surplus, is the use of the leasing plan, and this amendment proposes to prevent that, and force the allotment plan if any plan at all is used.

The PRESIDING OFFICER. The question is on agreeing to the amendment proposed by the Senator from Missouri [Mr. CLARK].

Mr. BANKHEAD. I ask for the yeas and nays.

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

Mr. COPELAND (when his name was called). On this question I have a pair with the senior Senator from Ohio [Mr. FESS], which I transfer to the senior Senator from Montana [Mr. WHEELER], and vote "nay."

Mr. ADAMS (after having voted in the negative). Has the senior Senator from Virginia [Mr. GLASS] voted?

The PRESIDING OFFICER. That Senator has not voted.

Mr. ADAMS. Having a pair with the senior Senator from Virginia, and not knowing how he would vote, I withdraw my vote.

Mr. BARKLEY. My colleague [Mr. LOGAN] is paired with the Senator from Pennsylvania [Mr. DAVIS]. My colleague is unavoidably absent. I do not know how he would vote if present and voting.

Mr. HEBERT. I desire to announce the following general pairs:

The Senator from Pennsylvania [Mr. DAVIS] with the Senator from Kentucky [Mr. LOGAN];

The Senator from Vermont [Mr. DALE] with the Senator from New Mexico [Mr. BRATTON];

The Senator from South Dakota [Mr. NORBECK] with the Senator from North Carolina [Mr. REYNOLDS]; and

The Senator from Oregon [Mr. STEIWER] with the Senator from Florida [Mr. FLETCHER].

Mr. LEWIS. I desire to announce that the following Senators are absent on official business: Mr. BAILEY, Mr. FLETCHER, Mr. GLASS, Mr. PITTMAN, Mr. POPE, Mr. REYNOLDS, Mr. THOMAS of Oklahoma, Mr. WALSH, and Mr. WHEELER.

The result was announced—yeas 18, nays 57, as follows:

YEAS—18

Austin	Couzens	King	Townsend
Barbour	Gore	McCarran	Walcott
Borah	Hastings	Metcalf	White
Carey	Hebert	Patterson	
Clark	Kean	Reed	

NAYS—57

Ashurst	Copeland	Keyes	Robinson, Ind.
Bachman	Costigan	La Follette	Russell
Bankhead	Dickinson	Lewis	Schall
Barkley	Dieterich	Lonergan	Sheppard
Black	Dill	Long	Shipstead
Bone	Duffy	McAdoo	Smith
Brown	Erickson	McGill	Stephens
Bulkley	Frazier	McKellar	Thomas, Utah
Bulow	George	McNary	Trammell
Byrd	Hale	Murphy	Tydings
Byrnes	Harrison	Neely	Van Nuys
Capper	Hatfield	Norris	Wagner
Caraway	Hayden	Nye	
Connally	Johnson	Overton	
Coolidge	Kendrick	Robinson, Ark.	

NOT VOTING—20

Adams	Davis	Logan	Steiwer
Bailey	Fess	Norbeck	Thomas, Okla.
Bratton	Fletcher	Pittman	Vandenberg
Cutting	Glass	Pope	Walsh
Dale	Goldsborough	Reynolds	Wheeler

So, Mr. CLARK's amendment was rejected.

Mr. CLARK. I offer the amendment which I send to the desk.

The PRESIDING OFFICER. The clerk will state the amendment proposed by the Senator from Missouri.

The LEGISLATIVE CLERK. The Senator from Missouri proposes the following amendment:

On page 7, line 2, after the word "payments", to insert: *"Provided further,* That the provisions of this part authorizing the leasing of land for the purpose of acreage reduction shall be limited to 2 years from the date of the approval of this act."

The PRESIDING OFFICER. The question is on the amendment of the Senator from Missouri.

Mr. CLARK. Mr. President, I offer this amendment in the hope that during the next 2 years the situation may become so changed by reason of reciprocal trade arrangements and the opening up of our export market that the Government will be glad to abandon the whole theory of marginal acreage leasing. I believe it is very essential that this system, which, after all, is nothing more nor less than

a dole, should have a time limit, so that, if it is to be continued, affirmative action will be necessary to continue it rather than affirmative action being necessary to discontinue it.

Mr. SMITH. Mr. President, it is hardly necessary for me to call attention to the fact that this proposed law will be subject to termination at any time by the President and will be subject to automatic termination when the prices of commodities have risen to those of the base period selected; and if there should occur such a rise in commodities as that, the parity which existed in 1909–14 would be reestablished, the whole measure will become inoperative, so that the only necessity for the bill is the situation now existing.

The PRESIDING OFFICER. The question is on the amendment proposed by the Senator from Missouri.

The amendment was rejected.

The PRESIDING OFFICER. The bill is before the Senate and still open to amendment.

Mr. SMITH. Mr. President, the administration and those who are interested in a measure which I had the honor to submit and have passed have perfected arrangements as to securing the cotton from the different governmental agencies. I send to the desk an amendment to part 1, beginning with section 3 on page 3 and going down to section 4 on line 6, and I ask that it may be substituted for the part of the bill beginning on page 3, section 3, and going down to the end of line 5 on page 6.

The PRESIDING OFFICER. The amendment will be stated.

The CHIEF CLERK. On page 3, beginning in line 9, it is proposed to strike out down to and including line 5 on page 4, being section 3, and in lieu thereof to insert the following:

PART 1. COTTON-OPTION CONTRACTS

SEC. 3. The Federal Farm Board and all departments and other agencies of the Government, not including the Federal intermediate credit banks, are hereby directed—

(a) To sell to the Secretary of Agriculture, at such price as may be agreed upon, not in excess of the market price, all cotton now owned by them.

(b) To take such action and to make such settlements as are necessary in order to acquire full legal title to all cotton on which money has been loaned or advanced by any department or agency of the United States, including futures contracts for cotton or which is held as collateral for loans or advances, and to make final settlement of such loans and advances as follows:

(1) In making such settlements with regard to cotton, including operations to which such cotton is related, such cotton shall be taken over by all such departments or agencies other than the Secretary of Agriculture at a price or sum equal to the amounts directly or indirectly loaned or advanced thereon and outstanding, including loans by the Government department or agency and any loans senior thereto, plus any sums required to adjust advances to growers to 90 percent of the value of their cotton at the date of its delivery in the first instance as collateral to the department or agency involved, such sums to be computed by subtracting the total amount already advanced to growers on account of pools of which such cotton was a part from 90 percent of the value of the cotton to be taken over as of the time of such delivery as collateral, plus unpaid accrued carrying charges and operating costs on such cotton, less, however, any existing assets of the borrower derived from net income, earnings, or profits arising from such cotton, and from operations to which such cotton is related, all as determined by the department or agency making the settlement.

(2) The Secretary of Agriculture shall make settlement with respect to cotton held as collateral for loans or advances made by him on such terms as in his judgment may be deemed advisable, and to carry out the provisions of this section, is authorized to indemnify or furnish bonds to warehousemen for lost warehouse receipts and to pay the premiums on such bonds.

When full legal title to the cotton referred to in (b) has been acquired it shall be sold to the Secretary of Agriculture for the purposes of this section in the same manner as provided in (a).

(c) The Secretary of Agriculture is hereby authorized to purchase the cotton specified in paragraphs (a) and (b).

The PRESIDING OFFICER. The question is on the amendment offered by the Senator from South Carolina.

Mr. AUSTIN. Mr. President, will the Senator from South Carolina yield for a question?

Mr. SMITH. Certainly.

Mr. AUSTIN. I notice that by this amendment there seem to be added to the original bill certain charges; that is to say, the original bill provided for payment of loans and the expense of carriage but did not include advancements to growers up to 90 percent of the value of their cotton, and so forth, as set forth in the amendment. Then I notice that it provides for a deduction, which is not contained in the original draft of this measure, of such profits as may have been made in the handling of the cotton that is the subject matter of the amendment. What I should like to ask the learned Senator in charge of the bill is what the net cash effect of the amendment will be; that is, will it increase the burden which the Government must carry in order to put the transaction through as designed, or will it diminish that burden?

Mr. SMITH. Mr. President, it will diminish the burden nearly $14,000,000. The original provision only covered the quantity of cotton that was actually handled, or is actually now in existence, pledged against certain loans; but there were certain items which the new members of the Farm Board insisted should be returned to them rather than retained by the cooperatives. This amendment was drafted in conjunction with Mr. Morgenthau, who insisted that the amount of money still held by the cooperatives because of the transactions which had taken place in the handling of the cotton should in the settlement be returned as part of the revolving fund. The amendment increases the amount the Government will get somewhere between thirteen and a half and fourteen million dollars.

Mr. AUSTIN. Will the Senator permit me to ask him another question?

Mr. SMITH. Certainly.

Mr. AUSTIN. What is the amount in the form of loans outstanding against this cotton, if the Senator can state the figures approximately?

Mr. SMITH. I do not recall, but I know that as to the stabilization cotton there was a considerable amount of money lost, something like 50 million or 60 million dollars, as I recall, but this is cotton that was held for the grower on which he received 90 percent of the market value at that time. He sustains a loss because he only got 90 percent of the market price, and, of course, the Government has lost as well as he, but the cooperatives through the A.C.C.A., I believe, as it is called, accumulated 14 million or 15 million dollars by their transactions in the sale of their cotton, which Mr. Morgenthau insisted should be returned. This amendment, therefore, was drafted to take the place of the provision proposing a simple settlement for the cotton that was held and for the amount due on it.

Mr. AUSTIN. Mr. President, will the Senator yield further?

Mr. SMITH. Yes.

Mr. AUSTIN. Assuming that on February 28, 1933, the total outstanding on account of the advancements was $68,900,000 plus, does the Senator know how much must be added to that on account of carrying charges?

Mr. SMITH. The carrying charges are going to be added to the price of the cotton that is going to be sold under this option plan, so that the carrying charges will stop at the time the transaction is made with the farmer.

Mr. AUSTIN. Mr. President, if the Senator will be so kind as to allow one other question——

Mr. SMITH. Certainly.

Mr. AUSTIN. Assuming that those carrying charges are $2,000,000, that would make approximately $71,000,000 altogether. Does the Senator understand that under his amendment the amount which would be borne by the United States Government as a loss in this transaction would be approximately $57,000,000 instead of $71,000,000?

Mr. SMITH. Under this amendment there will be a saving as against the original provision, as I said a moment ago, of something between $13,000,000 and $14,000,000. I do not remember the exact figure, but the settlement is intended to recover whatever assets in cash the cooperatives have. Nothing else can be recovered, because we take all the cotton. Then when the Government disposes of the cotton on option to the farmer, the carrying charges up to date are to be added to the price the Government has to pay, plus the insurance and storage, the farmer to receive whatever profit there may be.

Mr. AUSTIN. Just another question, if the Senator will yield for it.

Mr. SMITH. I yield.

Mr. AUSTIN. Does the Senator understand that the saving arises out of the limitation of 90 percent or is some of it to be ascertained by the deduction of profits? That is a matter that is not clear from the way the amendment is drafted.

Mr. SMITH. No; whatever profits have accrued under this amendment will be covered into the Farm Board's revolving fund. That is the difference between this and the old amendment. I was of the opinion that as to the cotton that had been put up as collateral, the amount that had been borrowed ought to be returned as far as the cotton would return it, but no further. They had made some profits and therefore they took those, and under this amendment the Government recovers that amount in excess of what it would under my amendment. In other words, it is very similar to the amendment offered by the Senator from Utah [Mr. KING] when the matter was up before.

Mr. AUSTIN. Then the net cost to the Government, if the amendment is agreed to, will be approximately $57,000,000?

Mr. SMITH. I do not remember just what it was, but the loss will be the absolute difference between the price of the cotton at the time it was stored and at the present date.

Mr. AUSTIN. I thank the Senator.

Mr. KING. Mr. President, I was out of the Chamber when the Senator from South Carolina offered his amendment. May I inquire whether it relates to the subject covered by the Senator from Tennessee [Mr. MCKELLAR] a few days ago?

Mr. SMITH. It is a little more drastic than that. Mr. Morgenthau and these parties got together, and he insisted that whatever profits they had should be turned over into the revolving fund. Of course, when they agreed, I accepted it, because that was the basis upon which any settlement was possible.

Mr. KING. Would the amendment just now offered be in harmony with the amendment which I have in mind to offer, namely:

Provided further, That in any settlement made by the Federal Farm Board for an amount in excess of the market value of the cotton, all earnings, profits, and commissions of any borrower resulting, directly or indirectly, from the handling of the cotton so required shall first be applied against the indebtedness of such borrowers to the Federal Farm Board.

Mr. SMITH. Mr. Morgenthau asked the conference. The leader of the Democratic Party in the Senate, the senior Senator from Arkansas [Mr. ROBINSON], and I went in to the conference, and then the Mississippi long-staple people came in, and they all agreed and finally submitted that the profits be turned over.

Mr. KING. Mr. President, may I have the attention of the Senator from Vermont [Mr. AUSTIN]? I have here a statement emanating from the Farm Board which shows that as of February 28, 1933, the American Cotton Cooperative Association owed the Farm Board $71,015,748.31. Ten million dollars of this sum is the effective merchandising loan used for its current operations. Of the balance, $61,015,748.31, $60,424,979.72 is outstanding on the 1930–31 operations.

The difference of $590,768 is for miscellaneous loans to the American Cotton Cooperative Association, the most of which has been reloaned to the cotton associations that are stockholder members of the American Cotton Association. It is estimated at this time that if the 1930–31 operations of the American Cotton Cooperative Association were entirely liquidated, the loans of $60,424,979 could be decreased by about $3,375,000, indicating a deficit of about $57,000,000 to the Farm Board as of February 28, 1933.

That is not all, however. On the next page of the statement reference is made to another corporation to which loans were made, known as the "Staple Cotton Cooperative Association", which owed the Farm Board $11,517,257. One million dollars of this total represented an advance of the Farm Board.

But that is not all. As of February 28, 1933, the Cotton Stabilization Corporation owed the Federal Farm Board $97,530,238.40. Upon the liquidation of the Cotton Stabilization Corporation it is estimated that about $94,000,000 will still be unpaid to the Farm Board.

As a matter of fact, the Government will have lost, or has lost up to date, more than $150,000,000 in its operations upon the cotton exchange and in its dealings with the stabilization corporation and the American Cotton Cooperative Association, of which it was the parent.

Mr. GORE. Mr. President——

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

Mr. KING. Certainly.

Mr. GORE. Does not the Senator think the Government got off pretty luckily?

Mr. KING. The Government had an investment of $500,000,000 in the Farm Board. If it gets off with a loss of no more than $400,000,000, I think it will be very lucky. That experiment will cost the Government, before it is fully liquidated, in my opinion, at least $400,000,000.

Mr. GORE. If the Government would only learn the lesson which those figures teach, would it not be worth the money?

Mr. KING. The Senator knows there is one thing that history teaches, and that is that people learn nothing from history.

Mr. President, I ask leave to insert in the RECORD at this point a statement showing some of the transactions of the Farm Board and its progeny.

The PRESIDING OFFICER. Without objection, it is so ordered.

The statement is as follows:

In considering the proposed amendment it is important first of all to understand just what amounts of obligations will be canceled under the present language of the bill. According to an announcement made by Mr. Morgenthau, Chairman of the Federal Farm Board, on March 21, 1933, the American Cotton Cooperative Association owed the Farm Board $71,015,748.31. If these loans were wiped out, there would be a deficit to the Farm Board of about $57,000,000.

The American Cotton Cooperative Association, according to the testimony of Mr. Creekmore before the Senate Agricultural Committee, is a Delaware corporation; it has an authorized capital of $30,000,000, of which $79,500 was paid in in cash by the 11 State cooperative associations affiliated with it. The 11 State cooperative associations which contributed the $79,500 capital, probably from loans theretofore received from the Farm Board, are as follows:

Alabama Farm Bureau Cotton Association, Montgomery, Ala.; Mid-South Cotton Growers Association, Memphis, Tenn; Georgia Cotton Growers Cooperative Association, Atlanta, Ga.; Louisiana Cotton Cooperative Association, Lake Providence, La.; Mississippi Cooperative Cotton Association, Jackson, Miss.; North Carolina Cotton Growers Cooperative Association, Raleigh, N.C.; Oklahoma Cotton Growers Association, Oklahoma City, Okla.; South Carolina Cotton Cooperative Association, Columbia, S.C.; Southwestern Irrigated Cotton Growers Association, El Paso, Tex.; Texas Cotton Cooperative Association, Dallas, Tex.; and California Cotton Cooperative Association, Bakersfield, Calif.

In addition to the $57,000,000 debt which will be canceled for the American Cotton Cooperative Association, Mr. Morgenthau states in his release that an additional loss of $8,254,350.07 will be suffered as a result of loans to the Staple Cotton Cooperative Association. This association operates in the Delta of the Mississippi and has approximately 3,500 members. So that the Treasury would simply make a gift of approximately $2,500 to each of the members of this organization.

In the summer of 1929, when the Farm Board operations were begun, the Staple Cotton Cooperative Association was the only cooperative which was in a solvent condition. It had reserves of approximately $500,000. At first it refused to borrow any money from the Farm Board. Nevertheless, it carried a large amount of cotton futures over from the 1928–29 season and, as a result of price declines, found itself in a precarious condition and was compelled to resort to the Federal Farm Board. It followed the same policy in 1930–31 under a contract with the Farm Board to carry the cotton or the futures until July 31, 1933. As a result, it lost not only its reserve of $500,000 but some $8,000,000 for the Federal Treasury.

None of the short-staple State cooperatives who are interested in the American Cotton Cooperative Association were in a satisfactory condition at the time the Farm Board came into existence. The Tennessee, Mississippi, and Arkansas cooperatives were, frankly, insolvent. The Oklahoma association was heavily in debt and could be saved only by a rise in prices. The Texas Cotton Cooperative Association had lost practically all its reserves speculating in the price of cotton in 1928–29. In testifying before the

House Committee on Appropriations, in 1930, Mr. Legge, at that time chairman of the Farm Board, could name only the Staple Cotton Cooperative Association as a really successful cotton cooperative, and it soon succumbed to the lure of speculation.

The same old leadership which piloted the various State cooperatives into bankruptcy took charge of the American Cotton Cooperative Association upon its formation. U. B. Blalock, its president, had been connected with the North Carolina Cotton Growers Cooperative Association; C. O. Moser, vice president in charge of lobbying activities, had been president of the American Cotton Growers Exchange, which was a loose association of the various State cooperatives; D. G. Hill, Jr., comptroller of American Cotton Cooperative Association, had been connected with it. The list of directors and officials shown at page 400 of the November 1931 hearings reveals the fact that the same group who had previously fattened at the expense of the farmer were beneficiaries at the expense of the Federal Treasury.

In 1929–30 the Federal Farm Board issued a statement that the price of cotton was too low. It authorized the cooperatives to make advances of 16 cents upon cotton and such advances were made. This policy was intended for two purposes: First, to get farmers to deliver their cotton to the cooperatives; and second, in the belief that the price of cotton could be held up. If cotton had risen in value as was expected by the Board and its experts, the cotton cooperatives and their members would have received the benefit of the rising prices. When cotton declined, the Board created the Cotton Stabilization Corporation, which took over not only the cotton upon which the cooperatives had made the 16-cent advances, but cotton carried over from the previous seasons at prices substantially above the market. In the course of this operation the Farm Board also demanded delivery upon futures contracts for the months of May and July in New York and conducted a highly manipulative near corner in those months to the great injury of members of the trade who were compelled to hedge their cotton in order to avoid speculation.

Some 1,300,000 bales were thus taken over at prices which, according to the Oklahoma cooperative publications, were 5 cents above the market. The Government thus took over a loss approximating $30,000,000 from cooperative associations and their new marketing agency, the American Cotton Cooperative Association.

1930–31 OPERATIONS OF THE AMERICAN COTTON COOPERATIVE ASSOCIATION

Having had all their debts paid up at the end of the 1929–30 season the group of cotton cooperatives associated under the American Cotton Cooperative Association entered into a new scheme to secure members and stabilize prices. They offered to advance in cash 90 percent of the value of cotton, and according to the testimony of Mr. Moser, told the cotton farmer that if cotton went up they would get the profit, while if it went down the United States Treasury would take the loss. As a result they secured 2,100,000 bales. At the time a definite contract was entered into between the American Cotton Cooperative Association and the Federal Farm Board under which the Farm Board agreed to finance the holding of this cotton for a period of 3 years.

Since a heavy loss resulted, the American Cotton Cooperative Association is now insisting that this was in fact a stabilization operation and that the loss should again be transferred to the Federal Treasury. Since the cooperatives were for the most part insolvent at the time the Federal Farm Board was organized and since their operations had not resulted in the accumulation of any capital, unless by mere bookkeeping, it is plain that a large part of this loss must fall on the Federal Treasury. If the loss is to be canceled, profits arising from the same transaction should be credited against the loss.

There is nothing in the Agricultural Marketing Act authorizing the Federal Government to give money to the cooperatives and it seems to us as illegal to do this indirectly as to do it directly.

Whatever profits were made by the American Cotton Cooperative Association in 1930–31 can only have resulted from handling the cotton which they are now trying to sell to the Government at $65,000,000 in excess of its value. In addition, Manager Creekmore testified that some 1,300,000 bales of this cotton was sold and replaced with futures. He further stated that some 500,000 bales of 1931–32 cotton were to be converted into this 1930–31 pool. In view of the fact that several members of the American Cotton Cooperative Association suffered tremendous losses in buying cotton in 1931–32 it may be that this overgraded cotton found its way into the 1930–31 pool, thus transferring the loss to an operation which it is contended is for account of the Government.

In 1930–31, according to Mr. Carl Williams, the American Cotton Cooperative Association set up net earnings of $2,074,292.

These profits and any additional amounts held by the American Cotton Cooperative Association as a result of the operation which caused this $63,000,000 loss it is believed arose as follows:

1. A deduction or a commission was charged the State cooperatives by A.C.C.A. This amounted to about $1 per bale on the 2,100,000 bales accumulated.

2. In selling out spots and in buying and selling futures on the cotton exchanges it has been possible for A.C.C.A. to write into the $63,000,000 loss the full rate of future commissions by charging them to the State cooperatives keeping for the A.C.C.A. half of these charges by reason of Mr. Creekmore's membership in the exchange.

3. Through transfers of cotton from one pool to another, or from one year to another, or from spots to futures, and vice versa, A.C.C.A. has probably placed in its reserve commissions and profits directly made from these transfers.

4. A.C.C.A. has charged the State cooperatives 4 percent on money advanced to them which it has borrowed at rates as low as one fourth of 1 percent from the Farm Board.

It has been claimed that the loans referred to were for the purpose of stabilizing the cotton market.

In its special report to Congress, dated December 7, 1932 (p. 7), the Board expressly states that the loans involved were not made for the purpose of stabilizing cotton prices. They were made to get cotton farmers to deliver cotton to the cooperatives by promising them the profits and assuring them that Uncle Sam would certainly never ask them to bear the losses in spite of the direct terms of the written contract with the Board.

The only justification for canceling any of these loans is that they are not collectible. As a matter of fact, if the slate of the cooperatives is thus wiped clean and they are left without debts, they will be in a much better position than they were when the Farm Board started operations. Their accumulated debts were already paid out of the treasury of the Cotton Stabilization Corporation in 1930. And it is nothing but justice that the A.C.C.A. should not be permitted to throw all the losses on the Treasury and pile up bookkeeping profits, which it says must not be touched.

Mr. KING. Mr. President, as I understand the amendment which the Senator from South Carolina has tendered, it contemplates that the A.C.C.A., which is Mr. Creekmore's child, from which he has derived great benefits, will be required to turn back in this settlement to the revolving fund of the Farm Board whatever profits or assets it now has, amounting to between $5,000,000 and $13,000,000.

Mr. SMITH. I do not remember the figures, but somewhere between $12,000,000 and $13,000,000.

Mr. KING. I thank the Senator from South Carolina for giving us that much of a concession, because it is known that Creekmore, Moser, and others for a long time have been anxious to hang on to that fund as a basis for continued operations. If Mr. Morgenthau understands the facts, as I hope he does, he will sever all relations with the A.C.C.A. and compel its liquidation.

Mr. SMITH. I suppose the Senator is thoroughly aware of the fact that Mr. Morgenthau has already given out the statement that all activities looking toward advancing the farmer in every shape and form will be concentrated under one head. Just what is to be the form of the concentration I do not know, but I do hope that it is now in process of consummation.

Mr. KING. I think the President is to be congratulated upon taking this important forward step. I feel sure that Mr. Morgenthau, with his great ability, will effect reforms that will be highly advantageous to the Government and to the people.

Mr. AUSTIN. Mr. President, I wish to ask the Senator from Utah if the results of his investigation of these figures have convinced him that the amendment does actually save to the Government approximately $15,000,000 which under the original draft of the measure it would have had to lose?

Mr. KING. Mr. President, I have not had time to examine the amendment offered by the Senator from South Carolina, but knowing his interest in the matter and his fairness I assume that the amendment which he has offered carries out exactly the statement which he has made. From my understanding of the fund in the hands of the A.C.C.A. and the assets of that organization, there is approximately from $5,000,000 to $15,000,000. The Senator from South Carolina suggests to me sotto voce that it is about $12,000,000.

Mr. AUSTIN. The reason for my interrogatory was not to raise a question of accuracy with the Senator but to try to settle upon the figures. The figures which the Senator from Utah gave are not quite the same as I myself obtained from the Federal Farm Board. What I desire is merely to have the RECORD show an answer to the question whether his figures tend to show that situation. My own figures show a saving of $15,300,000, and I want to know if he can reconcile his figures to that amount of savings?

Mr. KING. I have not attempted to ascertain the savings that would result from the adoption of the amendment from the funds or assets in the possession of the A.C.C.A. I doubt whether anybody can tell definitely what the funds are, but I believe the figures which I gave as to the losses are accurate if I may accept the statement submitted by the Fed-

eral Farm Board under date of March 22, 1933. That statement, as I understand, was given out by Mr. Morgenthau after he had made an investigation of the condition of the Farm Board on the date indicated. As to what profits had been made and are in the hands of the A.C.C.A. I am not able to state. I doubt whether the information is available except as a result of a meticulous examination of the books of that organization.

Mr. AUSTIN. That is not the saving to which I was referring. I was referring to the saving that would be made to the Government by the adoption of the amendment as against the passage of the original draft of the bill. That is what I mean.

Mr. KING. The only savings that will be made, if I understand the amendment, will result from taking possession of the assets of the A.C.C.A. What those assets are I do not know. I have been told that some investigations indicate that the assets consist of cash and bills receivable, the aggregate value of which would be approximately $13,000,000. Of course, Mr. Creekmore and Mr. Moser and those who were greatly interested in that organization want to hold on to that $13,000,000 and to perpetuate the organization and to integrate it with any agency that may be formed under the direction of Mr. Morgenthau, so that that organization may continue as the agent of any Federal agency that may take the place of the Farm Board.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from South Carolina [Mr. SMITH], on page 3, beginning in line 9.

The amendment was agreed to.

Mr. SMITH. Mr. President, I should like to perfect the text in one respect. It will take only a moment. On page 4, line 18, section 6, between the words "into" and "contract", I move to insert the word "option", as this is an optional matter. That word was evidently omitted by oversight.

The PRESIDING OFFICER. The Senator from South Carolina offers the following amendment, which will be read.

The CHIEF CLERK. On page 4, line 18, after the word "into", insert the word "option", so as to read, "to enter into option contracts with the producers."

The PRESIDING OFFICER. Without objection, the amendment is agreed to.

Mr. SMITH. On page 4, line 20, I move to strike out the words "equivalent in amount to" and substitute "to be agreed upon, not in excess of."

The PRESIDING OFFICER. Without objection, the amendment will be agreed to.

Mr. SMITH. Mr. President, those are all the amendments that I have ready at this time so far as that part of the bill is concerned, except that on page 6, beginning with the words *"Provided further"*, on line 8, I desire to have the balance of that paragraph stricken out. It reads:

Provided further, That he is authorized to sell unlimited amounts at any time a price equivalent to not less than 10 cents, basis middling, ⅞ inch staple, at the ports can be procured.

In view of the bill in its entirety, and the prospects for better prices, both the Department and those interested think that that proviso ought to be stricken from the bill; and I ask that that amendment be made.

The PRESIDING OFFICER. Without objection, the amendment will be agreed to.

Mr. GORE. Mr. President, I rose to propound a question to the Senator from Utah [Mr. KING].

The Senator detailed the financial operations of the Cotton Stabilization Corporation and the American Cotton Cooperative Association. As I understood his figures, the Farm Board, through its loans to those two concerns, took an aggregate loss of $150,000,000. Is that correct?

Mr. KING. Mr. President, that is my understanding; and I am not sure whether there was not an additional loss of approximately $20,000,000 which the Farm Board sustained by reason of having paid, before the Stabilization Corporation or the A.C.C.A. was formed, some of the outstanding obligations of some of these so-called "cooperatives."

Mr. GORE. Oh, well, I would not be concerned about a mere $20,000,000; but is it for that that Mr. Creekmore receives $75,000 a year?

Mr. KING. It was for the very valuable services which he rendered in bringing about that great deficit.

Mr. GORE. Mr. President, it seems that the cotton people were less lucky than the wheat people in their dealings with the Farm Board, or else that the wheat people were better financiers than the cotton borrowers from the Farm Board.

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

The PRESIDING OFFICER. Does the Senator from Oklahoma yield to the Senator from Missouri?

Mr. GORE. I do.

Mr. CLARK. It is true that the head of the wheat cooperatives received only $50,000 instead of $75,000; but there were two of those salaries—one of $50,000 and the other of $35,000—so that the aggregate of the wheat salaries was more than the cotton salary.

Mr. GORE. And I suppose the success was in inverse proportion to the salaries, perhaps.

Mr. CLARK. Yes, sir.

Mr. GORE. But the wheat people were pretty lucky; and at this point I wish to insert in the RECORD a brief statement concerning the dealings between the National Grain Corporation and the Farm Board.

The Farm Board lent that concern $16,000,000. That loan was refinanced, on the 9th day of last July, for a period of 10 years, at a rate of interest amounting to one eighth of 1 percent per annum. In other words, the National Grain Corporation was refinanced for $16,000,000 at an annual cost of $20,000—$20,000 a year for a period of 10 years—on a loan amounting to $16,000,000. At the rate of interest recently paid by the Government on one of its financial operations—4 and 4¼ percent—it cost the taxpayers of this country $650,000 a year to service that loan to the National Grain Corporation.

A great many people in this country are engaged in private business, the business of handling and merchandising grain. They have adventured their time, their talents, and their capital in that business. When they borrow $16,000,000 to carry on business in competition with the National Grain Corporation it costs them $950,000 a year, against the $20,000 a year which the National Grain Corporation pays to the Government of the United States for $16,000,000. That is an instance of governmental financing toward these specially favored concerns.

This resulted from a clause in the Farm Marketing Act which provided that these loans could be refinanced at the lowest rate of interest of any Government obligation still current and outstanding. Last summer the Government floated a loan at one eighth of 1 percent interest per annum. These financiers took advantage of the psychological moment and refinanced this $16,000,000 for 10 years at that rate of interest—one eighth of 1 percent a year. The contract was entered into on the 9th day of last July. I have a copy of the contract but will not encumber the RECORD with it; but I thought this statement ought to stand here in order to illuminate this character of financial operations.

Mr. President, while I am on the floor, on page 13, line 16, I move to strike out the figures "$10,000" and insert the figures "$7,500." The purpose of the amendment is to reduce from $10,000 a year to $7,500 a year the possible salaries which can be paid by the Secretary of Agriculture to such experts as Mr. Creekmore and the Reverend Mr. Hough, who is the head of the National Grain Corporation and a great financier.

The PRESIDING OFFICER. The amendment offered by the Senator from Oklahoma will be stated.

The CHIEF CLERK. On page 13, line 16, it is proposed to strike out "$10,000" and insert "$7,500" so that, if amended, it will read:

Provided, That no salary in excess of $7,500 per annum shall be paid to any officer, employee, or expert of the Emergency Agricultural Adjustment Administration—

And so forth.

Mr. SMITH. Mr. President, in justice to the committee and the hearing we had, I desire to make a statement; and then, of course, the Senate will vote as it sees fit.

The Secretary of Agriculture, in a personal appearance before us, stated that in the discharge of the very onerous burden which is about to be placed upon him he had to have men of the very best expert training that he could get. Remember, the original bill contained a provision that not more than a certain limited number of persons should receive salaries in excess of $10,000. The salaries of that limited number, of course, would exceed the $10,000. The committee, after consideration, compromised on placing in the bill the provision that is now there, that they should not receive in excess of $10,000. It was represented to the committee that men of the desired character, training, and ability could not be obtained for a less amount.

I make that statement because I think it is due to the Senate to know that the Secretary appeared in person and made a very strenuous plea for such salaries as would command the very best talent that could be obtained along the lines necessary to discharge the duties resting upon him.

Mr. GORE. Mr. President, I was not familiar with the legislative history of this provision. I did not know that the Secretary of Agriculture had made a special and personal appeal that the sum of $10,000 be inserted. My motion to strike it out, therefore, cannot be regarded as any evidence of disrespect toward the Secretary or toward his wishes.

But, Mr. President, Mr. Creekmore was paid $75,000 a year; and his operations alone have resulted in a loss of some hundreds of millions of dollars to the Farm Board. One of the wheat masters received $50,000 a year. Their operations have hardly been more successful. The services of a public official cannot always be measured by the amount of his salary.

This salary of $10,000 is more than Senators receive. The services these men are expected to render may be more valuable; they may call for more experience and a higher degree of talent and business experience. I am not willing to deny that. On the other hand, I am not willing to admit it. So, with the utmost respect toward the Secretary of Agriculture, I shall allow my motion to go to a vote.

Mr. SMITH. Mr. President, before the vote is taken, being somewhat familiar with the operations of the Farm Board and with its officers, it is nothing but justice to a man who cannot speak in this body, and whom I have known only casually, that I should say that Mr. Creekmore stated that his salary was $25,000, and that the remaining $50,000 was a commission upon the amount of cotton he handled and the business done. As for the wheat man, I am totally unadvised as to that.

Again, Mr. President, let me make this statement in reference to the Farm Board, the confirmation of some of whose members I opposed here, and my estimation of their ability to handle the work of the Board was more than borne out by the subsequent results. Let me state, however, that the losses that were sustained by the operations of the Farm Board were not due entirely to the inability or the impracticability or the lack of business acumen of these men. It was an unfortunate period, and everything suffered; and even men of long business experience failed as disastrously as did the Farm Board. We, as representatives of the people, ought to take into account every possible element that might go to ameliorate what has been universally condemned as a most disastrous failure.

I hold no brief for the Farm Board. None of the splendid advice that I gave them was ever taken. [Laughter.] They might have failed even worse than they did had they taken it. I wanted to say so much, however, in partial defense, at least, of men who have no way of defending themselves here, even if they need it. I know, as all of us know, that the terrible depression made success impossible, and that the compensation that has been accredited to Mr. Creekmore as a salary was in part a commission. He received so much per bale for the amount of cotton he handled, in conjunction with what I consider a tremendous and exorbitant salary, even at $25,000.

I thought it was due the Farm Board, and the men themselves, that I should make that statement.

Mr. GORE. Mr. President, as I understand—and I do not reflect on Mr. Creekmore as a citizen; perhaps I ought not to impeach him as a financier—he was receiving about $12,000 a year before he was advanced to this post at $25,000 fixed salary and a commission, as I recall, of a nickel a bale on the amount of cotton he handled. Neither do I wish to take advantage of the silence or the absence of gentlemen who cannot speak for themselves. This disaster has been universal and has been unsparing. It could not, perhaps, have been foreseen by the most foresighted; and yet panics and depressions have occurred in the past. If this were the first in human history there would be a still greater excuse for the members of the Farm Board not foreseeing and anticipating the disaster. But the Senator from South Carolina perhaps knows that a member of the Farm Board and certain of his associates worked out a theorem on cotton by which they could foretell the course of cotton prices in the years to come. I hope the Senator from South Carolina will give me his attention. He may not know that, and yet he may know it.

Mr. SMITH. I did not catch what the Senator said.

Mr. GORE. A member of the Farm Board and certain of his associates worked out a theorem by which they could forecast and foretell the course of cotton prices in the years to come. It was an infallible scheme; they could not lose. They put faith in their theory, and when cotton farmers in Oklahoma ordered their spot cotton sold at 19 and a fraction cents, cooperative officials, having faith in this theorem, bought futures at 19 and a fraction on the theory that cotton was going to 24 cents a pound, and they wanted to make the difference, to enjoy the profit.

Mr. SMITH. Mr. President, may I ask the Senator whether that was the same astute individual who recommended plowing up every third row of cotton?

Mr. GORE. Mr. President, I am afraid the Senator is a mindreader. I believe that a salary of $7,500, in view of our policy of retrenchment and economy, will command a pretty high order of talent; and I hope the amendment will be adopted.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Oklahoma.

The amendment was rejected.

Mr. GORE. Mr. President, I move to strike out "$10,000" and to insert in lieu thereof "$8,500." That is the salary which Senators receive under the new regime, and let us not admit that these people are entitled to greater pay than Senators are. I appeal to the self-respect of Senators.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Oklahoma.

Mr. TRAMMELL. Mr. President, I desire to ask the Senator whether or not he found, in his inquiry, that even the heads of most of the independent governmental agencies received net salaries not in excess of $8,500?

Mr. GORE. I am not sure I understood the Senator's question.

Mr. TRAMMELL. I make the statement that the independent governmental agencies, as a rule, pay at the present time net salaries of not in excess of about $8,500—that is, to the members of the boards, such institutions as the Interstate Commerce Commission, the Federal Power Commission, and the Federal Trade Commission. So, if we should restrict these employees to salaries not in excess of that figure, certainly I do not think we would be doing them any injustice, and as far as the American people are concerned I am sure they would feel we were endeavoring to do justice by the taxpayers of the United States by placing this limitation in the bill, as proposed by the Senator from Oklahoma.

Mr. BLACK. Mr. President, will the Senator from Oklahoma yield for a question?

Mr. GORE. I yield.

Mr. BLACK. May I ask the Senator whether or not whatever salary is fixed would be subject to the economy law as to reductions? I do not know, and I am asking for information.

Mr. GORE. I do not know; and I think it is well that the question is propounded. Perhaps someone who does know will be good enough to answer.

Mr. SMITH. Mr. President, there is no provision in the bill covering that point, and I presume these people, being officers of the Government, would automatically come under the economy law.

Mr. ROBINSON of Arkansas. Mr. President, unless the economy law expressly provides that it shall affect salaries hereafter created or authorized it probably would not have relation to the salaries mentioned here.

Mr. GORE. That was my impression, but I did not feel justified in making the statement. I think the Farm Board has paid one of its attorneys $25,000 a year, and I believe we have stricken some 600,000 soldiers off the rolls and have stricken down their pay some $400,000,000. I have an idea, perhaps, that we could get one of those soldiers who would be willing to serve for $8,500, the salary we pay ourselves. While it may be true that these officials deserve more than Senators, I just do not want to admit it.

Mr. BARKLEY. Mr. President, does not the Senator from Oklahoma think that the thing which sometimes induces Members of the Senate to become Members of this body is not necessarily the question of compensation, but the publicity and the notoriety and the honor which are supposed to go along with the office, whereas any of these others who serve in other capacities do not enjoy the sunshine of fame and the publicity which beats constantly upon our heads; and does not the Senator think that ought to be taken into consideration in determining whether we should restrict everybody to the same salaries we get?

Mr. GORE. Mr. President, there may be some weight in the Senator's observation. I do not know just what the value is of the white light which beats upon the throne. The Senator used the word "notoriety", and I think probably he did so advisedly, and I am not disposed to dispute it. Perhaps those gentlemen to whom I have referred would be willing to serve in this body at a lesser salary than $8,500. I think they will all rejoice to get salaries of $8,500. If we are obliged to deny ourselves the benefit of their services, I hope their services will not prove indispensable.

Mr. BARKLEY. Mr. President, constantly we are referring here to the fact that nobody else ought to get any more than we get, implying that there is nobody else in the country whose services are worth as much as ours. I do not think that is a fair criterion by which to go, because there are certain compensations which are not considered in terms of dollars and cents that go along with membership in a legislative body, which do not attach to the quiet exclusion which sometimes surrounds equally important work, but work which gets no public acclaim.

Mr. GORE. Mr. President, the members of the British Parliament serve for centuries without any compensation at all. I hope the Senator from Kentucky is not going to insist that we emulate that ancient and abandoned precedent.

Mr. BARKLEY. I am not prepared to go that far, I will say to the Senator.

Mr. GORE. I am glad the Senator does think there is a certain limit to the compensation to be paid these Government officials.

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

Mr. GORE. I yield.

Mr. TRAMMELL. Is the Senator predicating his amendment upon the question of balancing these salaries with those of Senators and those of other Government employees, or is he basing it upon the question of the employment, and of the custom which has grown up in the various independent bureaus of giving salaries of twice the amount, in many instances, the person would receive for the same character of service if he were in private life?

Mr. GORE. I just instanced, a moment ago, that Mr. Creekmore was receiving $12,000 a year, as I understand, and then received some $75,000 in his capacity as Chief of the Cotton Stabilization Corporation. I do not think he earned the money. I do not think that many of these employees are entitled to greater pay than that enjoyed by Members of the Senate. I confess I have some point of pride in making the admission, at least.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Oklahoma [Mr. GORE].

The amendment was agreed to.

Mr. GORE. Mr. President, I offered an amendment a few days ago, and I desire to call it up now, if it is in order, and have it disposed of.

The PRESIDING OFFICER. The clerk will report the amendment.

The LEGISLATIVE CLERK. The Senator from Oklahoma proposes the following amendment: At the proper place in the bill insert the following:

SECTION 1. (a) The President is authorized to establish a National Board of Conciliation with respect to farm-mortgage indebtedness, which Board shall consist of the Secretary of the Treasury, the Secretary of Agriculture, a member of the Federal Reserve Board to be designated by the President for that purpose, and such other officer or agent of the Government as may be especially charged with the administration of any law or laws relating to rural credit or farm-mortgage indebtedness.

(b) The President is authorized to appoint in each State a board of State conciliation consisting of not more than five members, who shall serve without pay.

(c) It shall be the duty of said State board of conciliation to appoint or designate a suitable number of local boards of conciliation in their respective States.

(d) It shall be the duty of such State and local boards of conciliation to bring about between farm mortgagors and mortgagees an adjustment of farm-mortgage indebtedness wherever it may be found practical to do so either by a reduction in the principal of such mortgage indebtedness or in the rate of interest thereon and/or by the conversion of short-time loans into long-time loans with a provision of amortization payments and/or through an agreement between the mortgagor and the mortgagee under which payments could be made in staple farm products or the proceeds thereof at an agreed price or value more nearly related to the price or proceeds of a like quantity of such farm products at the date of the execution of such mortgage.

(e) The National Board of Conciliation, with the approval of the President, is authorized to prescribe suitable rules and regulations to effectuate the purposes and objects of this section.

Mr. ROBINSON of Arkansas. Mr. President, may I make a suggestion to the Senator from Oklahoma?

Mr. GORE. Certainly.

Mr. ROBINSON of Arkansas. There is a provision in the bill, which has not yet been reached, which has relation to the subject of farm mortgages.

Mr. GORE. We have not reached that yet?

Mr. ROBINSON of Arkansas. That provision is under another title.

The PRESIDING OFFICER. Does the Senator from Oklahoma desire to withhold his amendment until that part of the bill is reached?

Mr. GORE. I withhold the amendment temporarily.

Mr. NYE. Mr. President, I send to the desk an amendment and ask that it be reported.

The PRESIDING OFFICER. The clerk will report the amendment.

The LEGISLATIVE CLERK. The Senator from North Dakota proposes the following amendment:

On page 7, line 2, after the period, to insert the following: "Under regulations of the Secretary of Agriculture requiring adequate facilities for the storage of grain on the farm, inspection and measurement of grain so stored, and the locking and sealing thereof, and such other regulations as may be prescribed by the Secretary of Agriculture for the protection of such grain and for the marketing thereof, a reasonable percentage of any benefit payment may be advanced on any grain so stored. In any such case a deduction of not more than one half cent per bushel for inspection and sealing may be made from the amount of the benefit payment, but no deduction may be made for interest."

On page 8, after line 17, insert the following new section:

"SEC. —. It shall be unlawful for any person to move out of any warehouse any basic agricultural commodity upon which a storage certificate issued by such person is outstanding, unless such commodity is moved for continued storage, and a warehouse certificate is issued for such commodity by a public warehouseman, guaran-

teeing redelivery of like grade, dockage, quantity, and quality. Any person violating the provisions of this section shall, upon conviction, be punished by a fine of not more than $5,000, or by imprisonment for not more than 2 years, or both. The Secretary of Agriculture may revoke any license issued under section 8 (3), if he finds, after due notice and opportunity for hearing, that the licensee has violated the provisions of this section."

Mr. NYE. Mr. President, I should like very much to have the attention of the chairman of the committee, for I understand that it is barely possible that the bill in its present form already covers the very kind of cases I am trying to cover by my amendment.

Practically in all the grain-growing territory we find warehouses receiving the products of the farmer which are owned or operated or in some wise controlled by commission firms. The farmer, not at all according to the story that many would have us believe, is anxious at all times, so far as he can, to help himself in emergencies such as that existing today, and because that is true annually he responds to the appeal to hold his grain. He has been educated to believe that he can hold his grain off the market and refrain from glutting the market by merely storing it with one of the public warehouses. He hauls his grain to the warehouse and the warehouseman gives him a storage certificate. Instead, however, of accomplishing what the farmer wants to accomplish, he finds his own purposes defeated by reason of the warehouseman shipping his grain, upon which he has issued a storage certificate, to the market and selling it, of course, buying futures and options as a guaranty of opportunity for him to make delivery when delivery is demanded. The whole purpose of the farmer is thus frustrated because of the ability of the warehouseman, who gives his storage certificate to the producer, to dump that grain on the market.

Under this amendment, Mr. President, if adopted, there would be a restriction which would prevent the warehouseman, the elevatorman, from disposing of that grain or from moving it from the warehouse, unless for the purpose of moving it to another place of storage. The farmer takes the storage certificate. Perhaps he wants an advance, it may be that he wants to borrow some money against the grain he has stored, and in that process he is called upon to pay 5-, 6-, 7-, or 8-percent interest to the commission man for any advance that is given him. So his entire purpose, as I have stated, is frustrated by those who have the handling of the grain which the farmer is striving to keep out of the market.

Does the Senator from South Carolina feel that the bill without this amendment would enable the administrative authorities to regulate the warehouse man as the amendment would provide?

Mr. SMITH. I will state to the Senator that we have had almost identically parallel cases occur in connection with commission merchants handling cotton. A farmer ships his cotton to a commission merchant, receives certain advances on it, has the cotton graded and stapled, and his mark placed on it. Several lawsuits have arisen by reason of the failure of the farmer on demand getting his identical cotton. Of course, it could be identified, as against the impossibility of identifying grain. The man handling the cotton would ship it, sell it, utilize the money, and buy futures against it, or, if he disposed of the cotton otherwise, he might sell futures against it. When the owner demanded the cotton, settlement would be made as of weights and grades and prices on the day settlement was demanded; but some of the farmers having their warehouse receipts with the weights and grades of their cotton specified, and the marks of identification as well, on failure to receive the identical cotton sued and recovered damages.

I realize that in the case of grain it is not possible to identify it. As I understand the process, a shipment of grain is put in with other grain; but it seems to me that if those owning the elevators grade the wheat, the owner of that wheat would have the right at any time to demand the exact amount of physical wheat that he stored and of the grade that he stored.

Mr. NYE. That is his privilege now without any additional legislation.

Mr. SMITH. Very good. Then, it is just simply a question as to whether he is going to demand it or whether he is going to settle as of the price and for the grade that he stored.

I can see that the Senator's object is to forbid the elevators disposing of the grain without the consent of the owner of the wheat. It seems to me the law now would not allow him to do so without making him subject to damages. I do not think the amendment would do any harm; I think it might be very good.

I once introduced a resolution requiring the Federal Trade Commission to investigate the alleged practice of certain cotton commission merchants in connection with shipping cotton when cotton was short at the delivery points.

Mr. NYE. Let me call the attention of the Senator to the fact that the wheat farmer, when he delivers his load of grain, not for sale but for storage, pays at the rate of at least 1 cent a month for the storage space that is to be occupied by his grain, and yet the warehouseman who issues a certificate as a receipt for that grain to be held in storage does not use the storage space at all but sends the grain on to the marketing places and sells it, and yet he gathers from the farmer as much as a cent a bushel per month for carrying that grain for the farmer. Does not the Senator feel, inasmuch as we are undertaking to do something worth while for the farmer, that we might well afford to adopt such an amendment in the bill as would enable the President or those who are to administer this new farm measure to prevent manipulation of that kind?

Mr. SMITH. Mr. President, will the Senator read his proposed amendment?

Mr. NYE. The part which specifically relates to the point in controversy is as follows:

On page 8, after line 17, insert the following new section:

"SEC. —. It shall be unlawful for any person to move out of any warehouse any basic agricultural commodity upon which a storage certificate issued by such person is outstanding, unless such commodity is moved for continued storage, and a warehouse certificate is issued for such commodity by a public warehouseman, guaranteeing redelivery of like grade, dockage, quantity, and quality. Any person violating the provisions of this section shall, upon conviction, be punished by a fine of not more than $5,000, or by imprisonment for not more than 2 years, or both. The Secretary of Agriculture may revoke any license issued under section 8 (3), if he finds, after due notice and opportunity for hearing, that the licensee has violated the provisions of this section."

Mr. SMITH. Mr. President, I think that it is a very good amendment, and I have no objection to it.

Mr. NYE. I thank the Senator.

The PRESIDING OFFICER (Mr. ROBINSON of Arkansas in the chair). The question is on agreeing to the amendment offered by the Senator from North Dakota.

The amendment was agreed to.

Mr. BULKLEY. Mr. President, I wish to offer an amendment.

The PRESIDING OFFICER. The Senator from Ohio offers an amendment, which will be stated.

The LEGISLATIVE CLERK. On page 11, line 12, after the word "Agriculture", it is proposed to insert the following:

Provided, That upon any article upon which a manufacturers' sales tax is levied under the authority of Public Act No. 154, Seventy-second Congress, entitled "An act to provide revenue, equalize taxation, and for other purposes," approved June 6, 1932, and which tax is computed on the basis of weight, the manufacturer of said article shall be entitled to a credit on the manufacturers' sales tax of an amount equal to the processing tax paid on the cotton used therein as provided by this act to be offset against the manufacturers' sales tax levied against such finished article.

Mr. BULKLEY. Mr. President, the purpose of this amendment is to avoid an unduly burdensome tax on automobile tires. The revenue act approved last June placed a tax of 2¼ cents a pound on automobile tires which in itself is an exceptionally heavy tax, running up as high as 14 percent of the value of a tire. If, in addition to that 2¼ cents a pound, the tire manufacturers are going to have passed along to them an additional charge which will result from the processing tax on cotton provided by this bill, their burden will be made still more oppressive.

Taking as an example a 20-pound tire, there is contained in it about 4 pounds of cotton. It takes about 5 pounds of cotton to process the 4 pounds included in the tire. So if, as has been computed here, a processing tax of 6 cents should be imposed upon cotton, it would result in an additional tax of about 30 cents on each tire. Each tire is already standing a tax of 2¼ cents a pound, or a total in the case of the tire used in the illustration of 45 cents. To that tax the bill, as it now stands, would add 30 cents. I submit that would be an unfair burden on an article of general use, and would unfairly burden the manufacturer who is already carrying a very heavy load. The provisions of my amendment would simply deduct from the tax payable under the Revenue Act of June 6, 1932, the amount of the tax on the weight of the cotton included in the tire.

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

Mr. BULKLEY. I yield.

Mr. COUZENS. The amendment, if adopted, would not in any way affect the cotton producer at all, would it?

Mr. BULKLEY. No; it would not affect the cotton producer, and it would not affect the revenue derived under the pending measure, though it would affect slightly the revenue derived under the act of last June.

Mr. LA FOLLETTE. Mr. President, if the Senator has the figures, may I ask him what is the average price of a 20-pound tire such as he referred to as an example? Is that the smaller-size tire?

Mr. BULKLEY. Yes; that is the Ford tire.

Mr. LA FOLLETTE. As I understand, such tires are selling now at a very low price.

Mr. BULKLEY. Yes; unless the amendment were adopted, the total tax would run to a very high percentage, I think about 15 percent of the entire price.

The PRESIDING OFFICER. The Chair calls the attention of the Senator from Ohio to the fact that the language which he is seeking to amend has already been agreed to. Does the Senator from Ohio ask unanimous consent to reconsider the action in agreeing to the amendment?

Mr. BULKLEY. Yes; I ask unanimous consent that the vote whereby the amendment was agreed to may be reconsidered for the purpose of considering the amendment offered by me.

The PRESIDING OFFICER. Without objection, the vote whereby the amendment was agreed to will be reconsidered. The Chair hears no objection.

Mr. SMITH. Mr. President, this question was brought up before the committee, and, after consideration, as I recall, the committee felt that the processing tax on the cotton fiber used in tire casings would be paid by the mill or the manufacturing plant that processed the cotton. It is true that there is a tax on tires under another statute and the tax in this bill will inevitably add to that a certain amount. The weight of the tire, I believe, is the basis of the tax.

Mr. BULKLEY. Under the act of June 1932 the tires are taxed by weight.

Mr. SMITH. Therefore whatever weight the cotton adds to the tire will be that much additional cost if the webbing or the fiber used has been previously taxed by the processing tax. Therefore it would raise the tax on the tire. The committee did not see fit to adopt the amendment, but the facts are as stated by the Senator from Ohio. I do not believe the amount would be very great. I do not know just what percentage of the weight of the casing is included in the fiber that is in the tire.

Mr. BULKLEY. In the example I have used of a 20-pound tire, which is a small Ford tire, there are about 4 pounds of cotton fabric. But it requires about 5 pounds of cotton to be processed to make that 4 pounds of fabric, so that if the 5 pounds of cotton paid the processing tax it would be taxed 30 cents approximately. The relief which would be given under my amendment would only be 2¼ cents a pound on the 4 pounds, or 9 cents, so it would not relieve the manufacturer even of as much as the processing tax here proposed.

Mr. SMITH. This is one of the peculiar instances occurring under the probable administration of the bill. It really does amount to double taxation, because the processing of cotton necessary to go into the tire pays a tax. If that tax is added by the processor then the manufacturer of the tire necessarily would have to pay in any event a higher price for the cotton, but he also has to pay now under the law a weighted percentage of his tire. Therefore, if we increase the weight of his tire and increase the tax, as a matter of course we increase the price of the tire.

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

The PRESIDING OFFICER. Does the Senator from Ohio yield to the Senator from Wisconsin?

Mr. BULKLEY. I yield.

Mr. LA FOLLETTE. I want to urge upon the Senator from South Carolina that he at least be willing to accept the amendment and give it further consideration in conference. I believe that the manufacturers of rubber tires are entitled to some consideration in this situation.

If the Senator will bear with me I want to recall somewhat briefly the history of the manner in which the tax on rubber tires got into the revenue act. It got in there under a misapprehension, in the first place, as to the amount of tax which could be collected upon the rubber industry on the theory that we could impose an import tax. It was then found that there were some companies that had large stocks of crude rubber on hand in America and others which had not, and that the imposition of an import tax would work a great injustice as between those manufacturers who had large stocks in America and those who would have to import. Therefore the committee was forced, in order to raise the necessary revenue which the Treasury Department at that time estimated would balance the Budget, to go to the poundage tax. It worked out as rather a heavy tax upon the industry.

Therefore it seems to me that some consideration should be given to the industry in view of the fact that it is already carrying such a heavy tax under the revenue act. I hope the Senator from South Carolina will accept the amendment.

Mr. BULKLEY. Mr. President, the memory of the Senator from Wisconsin is very accurate. The reason given for imposing such an unduly heavy tax on tires was that the revenue would be so large that we could not afford to give it up. It was estimated that $52,000,000 would be the revenue derived from that source. As a matter of fact it proved to be less than one fourth of that amount.

Mr. McNARY. Mr. President, it is true, as stated by the chairman of the committee, that this matter was brought to the attention of the committee. At the time I thought we ought to give it more careful consideration. I was impressed by the statement of the Senator from Ohio [Mr. BULKLEY]. I think it is double taxation in view of the Revenue Act of 1932. I should be very happy if the Senator from South Carolina would permit it to go to conference.

Mr. SMITH. I am entirely willing. I was impressed the first time the Senator from Ohio made the statement that this peculiar product came under the tax in the revenue bill. I am perfectly willing to accept the amendment and let it go to conference.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Ohio to the amendment of the committee.

The amendment to the amendment was agreed to.

The amendment as amended was agreed to.

Mr. GEORGE. Mr. President, on motion of the Senator from South Carolina [Mr. SMITH], the chairman of the committee in charge of the bill, a part of line 8 and all of lines 9, 10, and 11, on page 6, in what is known as the Smith cotton-option provision, were stricken. The Senator, however, failed to ask for an agreement on a substitute. With his permission I send forward a substitute and ask that it be reported.

The PRESIDING OFFICER. The clerk will read the proposed amendment for the information of the Senate.

The CHIEF CLERK. On page 6, line 8, after the numerals "1935", insert the following:

The Secretary shall have authority to enter into additional option contracts for so much of such cotton as is not necessary to

comply with the provisions of section 6 in combination with benefit payments as provided for in part 2 of this act.

Mr. SMITH. It is true, Mr. President, that I overlooked offering that amendment myself.

Mr. McNARY. Mr. President, may I inquire where the language is to be inserted?

The PRESIDING OFFICER. On page 6, line 8, after the numerals "1935".

Mr. SMITH. The proviso at that point was stricken out, and no language was offered instead.

Mr. McCARRAN. Mr. President, what is the language offered by the Senator from Georgia?

The PRESIDING OFFICER. The clerk will again read the amendment.

The Chief Clerk read the amendment again.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Georgia.

The amendment was agreed to.

Mr. GEORGE. Mr. President, I submit the following amendment.

Mr. McNARY. Mr. President, what disposition was made of the proposal of the Senator from Georgia?

The PRESIDING OFFICER. It was agreed to.

Mr. McNARY. I did not know that was the fact. I did not understand the nature of the amendment. I ask unanimous consent that the vote by which it was amended may be reconsidered.

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

Mr. McNARY. Now, I should like to have a statement from the Senator from Georgia in explanation of the amendment.

Mr. GEORGE. Mr. President, I will say for the benefit of the Senator from Oregon that I was in the chair at the time lines 8, 9, 10, and 11 were stricken, upon motion of the Senator from South Carolina [Mr. SMITH]. I subsequently discovered that there was nothing offered in lieu thereof and that the amendment submitted by the Department of Agriculture did suggest a substitution of the language which has just been read by the clerk.

The substituted language gives to the Secretary of Agriculture authority to enter into option contracts for any part of the cotton now on hand and held by the governmental agencies in connection with any benefit that he might see fit to allow or to enter into agreements under the subsequent provision of the bill; that is, under the so-called "allotment provision." The Secretary of Agriculture, as I understand it, suggested that in connection with the cotton-option contracts he might find it advisable and agreeable to enter into additional contracts for the reduction of acreage or production under the allotment provision also. It was his view, as I understand it also, that this additional language might be necessary in order to give him that privilege.

Mr. McNARY. Is it the desire of the Senator to permit the Secretary of Agriculture to enter into optional contracts for cotton planted at the beginning of the crop year 1933?

Mr. GEORGE. Exactly; and as I understand it the Secretary of Agriculture is doubtful, at least, whether he had that power under the bill without this language.

Mr. McNARY. I do not think he would have the power without it. I am just curious to know if the Senator thinks, in view of the allotment basis, that he ought to have additional authority to enter into optional contracts for cotton planted at the beginning of the crop year 1933.

Mr. GEORGE. I do not think the optional contract can relate to cotton produced in 1933, but in connection with cotton already on hand that might also be combined with some of the benefits which he would be allowed to grant under the allotment provision of the bill.

Mr. McNARY. Could the Secretary of Agriculture enter into a contract with a grower to cover the crop of 1933, and do we give the Secretary of Agriculture the right to purchase the crop of 1933, the same as the cotton now owned by the Government?

Mr. GEORGE. No; not that at all, but in connection with the optional cotton already in existence; in other words, operating under part 1 of the bill, if the Secretary of Agriculture desired also to bring about further reduction of cotton, he might combine the benefits which he would be permitted to allow under part 2 of the so-called "allotment plan."

Mr. McNARY. But does not the language proposed affect the crop to be harvested in 1933?

Mr. GEORGE. No; it does not, as I understand.

Mr. McNARY. Then I do not understand the language. It seems to me the Secretary would have the right to enter into an option contract for cotton planted and harvested in 1933. In other words, it is proposed to extend to this year's crop the benefits it is sought to confer upon cotton now owned by the Government.

Mr. GEORGE. I did not so understand it.

Mr. SMITH. No, Mr. President; as I understand the proposition——

Mr. GEORGE. That is, the purpose of it was not as the Senator seems to understand it.

Mr. SMITH. The proposition is simply this:

In the leasing plan, where a man has already planted, if the Secretary sees fit to combine the substitution of some cotton and a rental, he may use a part of this cotton as an inducement for the abandonment of certain acreage that has already been planted. Where the others have already taken up their option, the land would be claimed to be a little more valuable after having been fertilized and planted; and the Secretary said that in that case he would like to have the opportunity of offering an inducement, together with the rental and the cotton, to make a contract for a still further reduction of acreage.

Mr. McNARY. That is the very point about which I am inquiring. I think the option contract should be limited to the cotton now owned by the Secretary of Agriculture or upon which he has liens for moneys advanced, and that it should not be applied to crops to be planted and to be harvested in 1933 or any other year.

Mr. SMITH. What we are trying to do, even in the original bill, is to substitute this cotton for the cotton that will be produced in 1933; but if we find that there is not sufficient acreage planted to take it up, the suggestion of the Secretary of Agriculture was that the plan I have described be authorized.

Mr. McNARY. I have no objection to that, if that is the correct interpretation of the language proposed by the Secretary of Agriculture.

Mr. GEORGE. Mr. President, may I say to the Senator that I have the language before me, and I think that is the correct interpretation. May I read it?—

The Secretary shall have authority to enter into additional option contracts for so much of such cotton as is not necessary to comply with the provisions of section 6—

Section 6 is the section from which the language was stricken—

in combination with benefit payments as provided for in part 2 of this act.

In other words, he might combine the two provisions if he saw fit to do so.

Mr. McNARY. In other words, the language that is proposed limits the crop to the cotton now owned by the Secretary of Agriculture.

Mr. GEORGE. To the cotton now owned by the Secretary of Agriculture. I think there is no question about it.

The PRESIDING OFFICER. Without objection, the amendment will be agreed to. The Chair hears no objection.

Mr. GEORGE. Now, Mr. President, I offer the second amendment, which I have sent to the desk.

The PRESIDING OFFICER. The amendment offered by the Senator from Georgia will be stated.

The CHIEF CLERK. On page 17, line 2, after the word "title" appearing in the committee amendment, it is proposed to insert:

expansion of markets and removal of surplus basic agricultural commodities and their products.

Mr. GEORGE. Mr. President, let me say in explanation of this amendment that from the funds raised under the bill the Secretary of Agriculture, under section 12, is authorized to expend the money for rental and benefit payments and administrative expenses, including refunds under parts 1 and 2 of the title. The language which I am now offering simply adds "expansion of markets"; and the purpose of it is to give to the Secretary of Agriculture an additional option which he may exercise under the bill from the funds raised out of the processing tax.

That is the whole purpose of the amendment. Of course, it would be entirely optional with the Secretary whether or not he employed this particular provision if it should be agreed to by the Senate.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Georgia.

Mr. McNARY. Mr. President, I think the Senator from Arkansas [Mr. ROBINSON] proposed a similar amendment several days ago——

Mr. GEORGE. The Senator did.

Mr. McNARY. At which time I entered some objection, for this reason:

The processing tax is supposed to be used exclusively to pay the benefits, if any, accruing from the operation of this bill. The money is first advanced, after an estimate, by the Secretary of the Treasury to the Secretary of Agriculture. The money so advanced is to be covered into the Treasury of the United States from the collection of the processing tax. That tax should be used exclusively for the purpose of paying these benefits to producers of the commodities mentioned in the bill.

If a portion of that fund is going to be dissipated by using money to expand markets throughout the country, there will not be on hand a sufficient sum of money to meet the demands of the farmers who may derive benefits hereunder. I think the amendment runs counter to the policy enunciated in the bill. If it is availed of, it certainly would cause a large deficit, the money to replace which would have to be taken out of the Treasury of the United States, and which, I am afraid, would operate very much against the popularity of the bill. If it did not come out of the Treasury of the United States, it would have to come from a diminution of the benefits to be received by the farmers.

Mr. GEORGE. The Senator is quite right on that point, but I am sure the Senator will be one of the conferees on the bill; and when this bill finally passes, if this is not a reasonable provision it can be corrected.

Let me make a further statement to the Senator.

The Senator is entirely right in saying that from the money raised by the processing tax the Secretary of Agriculture may grant certain benefits. He may lease acreage, or he may pay back to the producer of the taxed commodity his pro rata part of the tax. If he should use a portion of the funds raised by the tax for the purpose of expanding markets, he would, of course, thereby diminish the amount that would be returned to the producer in the form of one benefit or another. That is true; but in the one case of cotton—and I am thinking of it entirely—in the one case of cotton the Secretary of Agriculture might find it more advantageous to the cotton producer if he utilized a part of the processing tax levied on cotton for the purpose of expanding the market for cotton products than if he utilized it all for the rental of acreage or for the return to the farmer of the fee levied in the form of a direct benefit.

I desire to say to the Senator that as a matter of fact there is an enormous market for coarse cotton goods in South America, in China, and in Russia; but those markets cannot be utilized to the advantage of the cotton-producer in the United States or to the advantage of the manufacturer of cotton textiles in the United States, because we have not any means of financing or assisting in financing credit in those particular markets.

For instance, it is easy enough to finance 80 percent or perhaps 85 percent of the entire cost of the cotton, but nearly every other country exporting cotton textiles is able to finance for a longer period 15 to 20 percent of the value of the product. So this amendment simply gives to the Secretary of Agriculture the power, if he sees fit, to say, "We will take 1 cent of the processing tax levied on cotton and create a fund of $25,000,000," which would give a credit basis for the expansion of the markets of at least $150,000,000; and that, in the opinion of both the producers and the Secretary, might be far more advantageous than undertaking to pass back to the producers of cotton in the form of direct benefits, either under the acreage leasing provision or under the so-called "allotment provision" itself, the entire processing tax. It would be optional with the Secretary of Agriculture, of course.

Mr. McCARRAN. Mr. President——

The PRESIDING OFFICER. Does the Senator from Georgia yield to the Senator from Nevada?

Mr. GEORGE. I yield to the Senator.

Mr. McCARRAN. I do not want to interrupt the Senator, but I am interested in the thought he is expressing.

Is it not true that the markets of the Orient and the markets of South America, to which the Senator has just referred, are closed to our products because of the fact that we do not recognize their medium of exchange, because when they present their medium of exchange they present it on the basis of the market value of today rather than on a stabilized basis?

Mr. GEORGE. The Senator, of course, is quite right in that observation; but it is also true that we have not developed credit facilities for carrying our products into these markets as other countries have developed their credit facilities, and until we do it we shall find ourselves excluded from many of the profitable markets.

This provision is constructive. This provision will do good to cotton. This provision can be successfully applied; but the Secretary of Agriculture, of course, might not apply it. It simply gives him the option. Instead of using an all-acreage-licensing proposal or an all-allotment proposal, it simply gives him the additional option of using a part of the processing tax levied on the particular commodity to carry that commodity or its products into markets from which it is now excluded.

If the Senator from South Carolina, in charge of the bill, will consent, I very much hope that the Senator from Oregon will accept the amendment and let it go to conference, anyway.

Mr. SMITH. Mr. President, before the amendment is adopted I desire to state that I had overlooked the fact that the Department had sent down a proposed amendment which covers the very point that the Senator from Georgia has in view. It proposes, on page 16, to strike out line 22 and all down through page 17, line 19, and to insert in lieu thereof the following:

SEC. 12. (a) There is hereby appropriated, out of any moneys in the Treasury not otherwise appropriated, the sum of $100,000,000 to be available to the Secretary of Agriculture for administrative expenses under this title and for rental and benefit payments made with respect to reduction in acreage or reduction in production for market under part 2 of this title. Such sums shall remain available until expended.

(b) In addition to the foregoing the proceeds derived from all taxes imposed under this title are hereby appropriated to be available to the Secretary of Agriculture for expansion of markets and removal of surplus agricultural products and the following purposes under part 2 of this title: Administrative expenses, rental and benefit payments, and refunds on taxes. The Secretary of Agriculture and the Secretary of the Treasury shall jointly estimate from time to time the amounts, in addition to any moneys available under subsection (a), currently required for such purposes; and the Secretary of the Treasury shall, out of any moneys from the Treasury not otherwise appropriated, advance to the Secretary of Agriculture the amounts so estimated. The amount of any such advance shall be deducted from such tax proceeds as shall subsequently become available under this subsection.

(d) The administrative expenses provided for under this section shall include, among others, expenditures for personal services and rent in the District of Columbia and elsewhere, for law books and books of reference, for contract stenographic reporting services, and for printing and paper in addition to allotments under the existing law. The Secretary of Agriculture shall transfer to the Treasury Department, and is authorized to transfer to other agencies, out of funds available for administrative expenses under this title, such sums as are required to pay administrative expenses incurred and refunds made by such department or agencies in the administration of this title.

This amendment was prepared by the Department; and, if the Senator will allow me, I will offer it as a substitute for the amendment of the Senator from Georgia, as I find that it covers the identical point that was made by him.

Mr. GEORGE. I shall be glad to withdraw my amendment.

Mr. McCARRAN. Mr. President, in view of the importance of the matter presented by both the Senator from Georgia and the Senator from South Carolina, I suggest the absence of a quorum.

Mr. SMITH. Mr. President, let us finish this amendment before the absence of a quorum is suggested.

The PRESIDING OFFICER. The Senator from Nevada has suggested the absence of a quorum.

Mr. SMITH. I ask the Senator from Nevada to withdraw that suggestion until we can discuss this amendment and dispose of it.

Mr. McCARRAN. Mr. President, in view of the fact that the Senator from South Carolina informed me that he would hold this body in session until 10 o'clock——

Mr. SMITH. Mr. President, I desire to state to the Senator, if he will allow me, that after conversation and consultation with the leader, I find that so many Senators have engagements, not knowing beforehand that we were going to run on tonight, that it has been agreed that as soon as we can get through with this amendment, and possibly not later than 7 o'clock, we will take a recess until 11 o'clock tomorrow morning.

Mr. LONG. Mr. President, if the Senator will yield, what is keeping us from recessing now?

Mr. SMITH. We want to get through with this amendment and get that much farther on the road toward passing the bill.

Mr. LONG. Let us get through with it. What is the amendment?

Mr. SMITH. The Senator from Nevada has the floor.

Mr. LONG. I beg the Senator's pardon.

Mr. McCARRAN. There is one question I want to ask, and that is, Is there anything more important in this bill than the presentation that was made by the Senator from Georgia just a few moments ago or than the amendment which the Senator now offers? It seems to me highly important——

Mr. SMITH. That is true.

Mr. McCARRAN. It seems to me highly important that the Senate should be here; and I therefore will insist on my suggestion of the absence of a quorum—that is, if the Senator insists on putting this amendment to a vote tonight.

Mr. SMITH. Mr. President, I think perhaps all who are here are heartily in favor of the amendment offered by the Senator from Georgia, because the department has sent to us an amendment incorporating the same idea for the expansion of the markets for American products insofar as we are able to accomplish that. If the Senator will withhold his suggestion of the absence of a quorum, I think perhaps nothing can be gained by delaying the reading of the amendment and having it agreed to.

The PRESIDING OFFICER. Does the Senator from Nevada withhold his point of no quorum?

Mr. McCARRAN. As a matter of courtesy to the Senator from South Carolina, of course; but I do suggest that I have not heard anything more important or more profound than that which came from the lips of the Senator from Georgia just a few moments ago. It seemed to me that it was important to the whole life of the bill. It also seems to me that perchance the substitute offered by the Senator from South Carolina may be very important to the bill. I wonder why, with so many Senators absent, we should proceed now. What is the haste and hurry, when Senators are called away? In the next 15 or 20 minutes we might put something into the bill, and other Senators would wonder why it was in. I do not want to be discourteous, and I do not propose to be.

Mr. GEORGE. May I suggest to the Senator from South Carolina that, since the Senator from Nevada has expressed himself as being desirous of having a full Senate here to consider the amendment, perhaps it would be wise not to insist upon action on the amendment tonight and not to have a quorum called but let the matter go over until tomorrow morning, and let the amendment be pending.

Mr. SMITH. Mr. President, I merely desire to say that I am jealous of every minute that is lost. It seems to me this bill should be passed, and I suggest to the Senator from Nevada that we vote on this amendment before we conclude our business, and then I will ask for a recess.

Mr. McCARRAN. Mr. President, in view of the expressions I have heard, which I believe are worthy of being considered in connection with this all-important bill, I cannot withhold my suggestion of the absence of a quorum.

Mr. LONG. Mr. President, if the Senator from Nevada will allow me, there is a quorum present, and we will be wasting time if one is called. I make this suggestion to the Senator, that if he thinks the amendment is a good one as far as he sees it, let us go ahead and vote on the amendment and accord the Senator from South Carolina that much courtesy.

The PRESIDING OFFICER. The Chair inquires of the Senator from Nevada whether he insists on his suggestion of the absence of a quorum?

Mr. McCARRAN. Mr. President, my object is not to defeat the substitute offered or to defeat the amendment of the Senator from Georgia but to understand what is going into the bill. I am sincere in the matter, and I want to be understood as being sincere in the matter. If there is something offered that we do not understand, which is not in print, which is not on the desks of Senators, I respectfully suggest that it should not be put forward at this hour of the day.

Mr. CONNALLY. Mr. President, the Senator from South Carolina probably realizes on reflection that he will not gain any time if there is going to be a fight on the amendment. Why not take a recess now and let it be pending in the morning, and have a full attendance and fight it out?

Mr. SMITH. Mr. President, that would be perfectly agreeable to me, but I just want to state that there is nothing in the amendment but what is contained in the provisions of the bill, because it proposes an appropriation, which shall be returned when the taxes are collected, in order to put the measure into immediate effect, coupled with the identical amendment which the Senator from Georgia has offered, and that is all.

Of course, as the Senator from Nevada insists that all the Senators shall be present, or as nearly as may be, I am going to suggest that we take a recess.

Mr. BANKHEAD. Mr. President, I offer an amendment to the bill, which I send to the desk and ask to have printed.

The PRESIDING OFFICER. The amendment will be received, printed, and lie on the table.

RECESS

Mr. SMITH. I move that the Senate take a recess until 11 o'clock tomorrow.

The motion was agreed to; and the Senate (at 6 o'clock and 50 minutes p.m.) took a recess until tomorrow, April 20, 1933, at 11 o'clock a.m.

SENATE

THURSDAY, APRIL 20, 1933

(Legislative day of Monday, Apr. 17, 1933)

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

Mr. ROBINSON of Arkansas. I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

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

Adams	Black	Capper	Couzens
Ashurst	Bone	Caraway	Cutting
Austin	Borah	Carey	Dickinson
Bachman	Brown	Clark	Dieterich
Bailey	Bulkley	Connally	Dill
Bankhead	Bulow	Coolidge	Duffy
Barbour	Byrd	Copeland	Erickson
Barkley	Byrnes	Costigan	Fletcher