By Mr. CALDWELL: A bill (H. R. 9346) for the relief of Georgia S. Melvin; to the Committee on Invalid Pensions.

By Mr. CONNERY: A bill (H. R. 9347) granting a pension to Margaret M. Tupper; to the Committee on Invalid Pensions.

By Mr. MAPES. A bill (H. R. 9348) granting an increase of pension to Catherine Field; to the Committee on Invalid Pensions.

By Mr. MURDOCK: A bill (H. R. 9349) for the relief of the Nicolson Seed Farms, a Utah corporation; to the Committee on the Public Lands.

By Mr. O'NEILL of New Jersey: A bill (H. R. 9350) for the relief of Nathan and Amelia Rice; to the Committee on Claims.

By Mr. ROBSION of Kentucky: A bill (H. R. 9351) granting a pension to Ida Webb; to the Committee on Invalid Pensions.

By Mr. WILCOX: A bill (H. R. 9352) for the relief of Charles Frederick Glass; to the Committee on Naval Affairs.

Also, a bill (H. R. 9353) for the relief of Earl J. Reed and Giles J. Gentry; to the Committee on Claims.

Also, a bill (H. R. 9354) to authorize the award of the Purple Heart decoration to Ann Celestine Singleton; to the Committee on Military Affairs.

PETITIONS, ETC.

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

3976. By Mr. BARRY: Resolution of the Consolidated Home and Farm Owners' Mortgage Committee, New York City, endorsing Congressman BARRY's bills (H. R. 8622, H. R. 5365, H. R. 2715, H. R. 8226, and H. R. 9059) concerning Home Owners' Loan Corporation relief; to the Committee on Banking and Currency.

3977. By Mr. QUINN: Resolution by Electrical Workers Union 601 and Workers Alliance of East Pittsburgh, Pa., on unemployment relief, also amending neutrality law; to the Committee on Ways and Means.

3978. By Mr. FLAHERTY: Petition of the board of directors of the Boston Grain and Flour Exchange, concerning the train-limit bill; to the Committee on Interstate and Foreign Commerce.

3979. By Mr. THOMASON of Texas: Petition of residents of El Paso, Tex., urging passage of House bill 147, known as the train-length bill; to the Committee on Interstate and Foreign Commerce.

3980. By Mr. BEITER: Petition of a group of citizens of Clarence Center, Erie County, N. Y., urging enactment of legislation against war; to the Committee on Foreign Affairs.

3981. Also, petition of the Brooklyn Post, No. 2, Jewish War Veterans, Brooklyn, N. Y., urging intercession with the Rumanian Government regarding unjust discrimination against racial and religious minorities; to the Committee on Foreign Affairs.

3982. By Mr. THURSTON: Petition of residents of northern Iowa, protesting against legislation to require owners of firearms to obtain licenses and to be fingerprinted; to the Committee on the Judiciary.

3983. By Mr. QUINN: Resolution of the United Mine Workers of America, Harwick, Pa., requesting an increase in the appropriation for the public-housing program to $5,000,000; protesting against the interpretation of the National Labor Relations Act as made by the Labor Board; requesting the Federal Government to pass an act to halt the discrimination against men in industry who have attained an age of 45 years; protesting against the alleged "sit down" of capital in certain industries; and endorsing the investigation being made by the Senate Committee on Civil Liberties; to the Committee on Ways and Means.

3984. By the SPEAKER: Petition of Robert L. Owen, requesting the passage of a Senate joint resolution; to the Committee on Indian Affairs.

SENATE

MONDAY, FEBRUARY 7, 1938

(Legislative day of Wednesday, January 5, 1938)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

THEODORE F. GREEN, a Senator from the State of Rhode Island, appeared in his seat today.

THE JOURNAL

On request of Mr. BARKLEY, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Friday, February 4, 1938, was dispensed with, and the Journal was approved.

MESSAGES FROM THE PRESIDENT—APPROVAL OF BILLS

Messages in writing from the President of the United States were communicated to the Senate by Mr. Latta, one of his secretaries, who also announced that the President had approved and signed the following acts:

On January 27, 1938:

S. 2550. An act to permit the printing of black-and-white illustrations of United States and foreign postage stamps for philatelic purposes; and

S. 2940. An act to make confidential certain information furnished to the Bureau of Foreign and Domestic Commerce, and for other purposes.

On January 29, 1938:

S. 2463. An act to authorize an additional number of medical and dental officers for the Army.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Calloway, one of its reading clerks, announced that the House had passed a bill (H. R. 9306) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1938, and prior fiscal years, to provide supplemental appropriations for the fiscal year ending June 30, 1938, and for other purposes, in which it requested the concurrence of the Senate.

CALL OF THE ROLL

Mr. LEWIS. I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Adams	Davis	Johnson, Colo.	Pepper
Andrews	Dieterich	King	Pittman
Ashurst	Donahey	La Follette	Pope
Austin	Duffy	Lee	Radcliffe
Bailey	Ellender	Lewis	Reynolds
Bankhead	Frazier	Lodge	Russell
Barkley	George	Logan	Schwartz
Bilbo	Gerry	Lonergan	Schwellenbach
Bone	Gibson	Lundeen	Sheppard
Borah	Gillette	McAdoo	Shipstead
Brown, N. H.	Glass	McGill	Smathers
Bulkley	Green	McKellar	Smith
Bulow	Guffey	McNary	Thomas, Okla.
Burke	Hale	Maloney	Thomas, Utah
Byrd	Harrison	Miller	Townsend
Brynes	Hatch	Minton	Truman
Capper	Hayden	Murray	Tydings
Caraway	Herring	Neely	Vandenberg
Chavez	Hill	Norris	Van Nuys
Clark	Holt	Nye	Wagner
Connally	Hughes	O'Mahoney	Walsh
Copeland	Johnson, Calif.	Overton	Wheeler

Mr. LEWIS. I announce that the Senator from Tennessee [Mr. BERRY], the Senator from Michigan [Mr. BROWN], the Senator from South Dakota [Mr. HITCHCOCK], and the Senator from New Jersey [Mr. MILTON] are detained from the Senate on important public business.

The Senator from Nevada [Mr. MCCARRAN] is detained in his State on official business.

Mr. AUSTIN. I announce that the Senator from New Hampshire [Mr. BRIDGES] is absent on official business.

The VICE PRESIDENT. Eighty-eight Senators have answered to their names. A quorum is present.

TRANSACTION OF ROUTINE BUSINESS

The VICE PRESIDENT. According to the record made last Friday, the Chair thinks he should recognize this morning the Senator from Mississippi [Mr. BILBO]. With his permission, however, the Chair will recognize other Senators with the understanding that they desire the floor only for the purpose of presenting petitions, introducing bills, submitting resolutions, reports, and requests that matter be printed in the RECORD.

ESTIMATES OF APPROPRIATIONS

The VICE PRESIDENT laid before the Senate communications from the President of the United States, transmitting estimates of appropriations, which, with the accompanying papers, were referred to the Committee on Appropriations and ordered to be printed, as follows:

Estimates (submitted pursuant to law) by the several executive departments and independent offices to pay claims for damages to privately owned property, in the sum of $4,725.11 (S. Doc. No. 143);

Records of judgments (submitted pursuant to law) rendered against the Government by district courts under the provisions of law and requiring appropriations for payment, amounting to $1,200.06 (S. Doc. No. 144);

List of judgments (submitted pursuant to law) rendered by the Court of Claims and requiring appropriations for their payment, amounting to $46,564.19 (S. Doc. No. 145);

Schedule of claims (submitted pursuant to law) amounting to $49,995.69, allowed by the General Accounting Office, as covered by certificates of settlement, for the services of the several departments and independent offices (S. Doc. No. 146);

Supplemental estimate for the legislative establishment, under the Government Printing Office, fiscal year 1938, amounting to $65,715.28 (S. Doc. No. 147); and

Supplemental estimate for the District of Columbia, reservoir, water department, amounting to $400,000 (S. Doc. No. 148).

MONTREAL-LAKE CHAMPLAIN-HUDSON RIVER WATERWAY

The VICE PRESIDENT laid before the Senate a letter from the Secretary of State, transmitting, pursuant to law, copy of a letter dated January 4, 1938, from the Chairman of the International Joint Commission (with enclosures) in the matter of an investigation as to the advisability of the improvement of a waterway from Montreal through Lake Champlain to connect with the Hudson River, together with a report on the project that the Commission recommends be considered an interim report, which, with the accompanying papers, was referred to the Committee on Foreign Relations.

NONMAILABILITY OF CERTAIN FIREARMS

The VICE PRESIDENT laid before the Senate a letter from the Acting Secretary of the Treasury, transmitting a draft of proposed legislation to amend the act entitled "An act declaring pistols, revolvers, and other firearms capable of being concealed on the person nonmailable and providing penalty," which, with the accompanying paper, was referred to the Committee on Post Offices and Post Roads.

ORDINANCES, ETC., OF MUNICIPAL COUNCIL OF ST. THOMAS AND ST. JOHN

The VICE PRESIDENT laid before the Senate a letter from the Secretary of the Interior, transmitting, pursuant to law, copies of ordinances, resolution, and amendment adopted by the Municipal Council of St. Thomas and St. John, and approved by the Governor of the Virgin Islands, which, with the accompanying papers, was referred to the Committee on Territories and Insular Affairs.

HOUSE BILL REFERRED

The bill (H. R. 9306) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1938, and prior fiscal years, to provide supplemental appropriations for the fiscal year ending June 30, 1938, and for other purposes, was read twice by its title and referred to the Committee on Appropriations.

PETITIONS AND MEMORIALS

The VICE PRESIDENT laid before the Senate a joint resolution of the legislature of the State of Kentucky, favoring an inquiry into the causes of the recent decline in the price of tobacco sold on the Kentucky markets, and also the enactment of legislation in the premises similar to the Agricultural Adjustment Act, which was referred to the Committee on Agriculture and Forestry.

(See joint resolution printed in full when presented today by Mr. LOGAN.)

The VICE PRESIDENT also laid before the Senate a petition of sundry citizens, being representatives of corporate and private business and employers of labor, of San Antonio, Tex., favoring the immediate repeal of the undistributed-profits and capital-gains taxes, and the adoption of other measures for the relief of business, which was referred to the Committee on Finance.

He also laid before the Senate a telegram in the nature of a memorial from Morris Stern, of New York City, N. Y., remonstrating against alleged filibustering in the Senate in connection with the consideration of the so-called "anti-lynching bill," which was ordered to lie on the table.

Mr. TYDINGS presented a resolution adopted by members of the Baltimore (Md.) Association of Credit Men, favoring the immediate repeal of title VI of the District of Columbia Revenue Act of 1937, approved August 17, 1937, imposing a gross receipts tax on the privilege of doing business in the District of Columbia, which was referred to the Committee on the District of Columbia.

Mr. COPELAND presented a petition of sundry citizens of Brooklyn, N. Y., praying that no reduction be made in the appropriation for the C. M. T. C. for the fiscal year 1939, which was referred to the Committee on Appropriations.

He also presented a resolution adopted by the executive board of the Onondaga County (N. Y.) Division, Women's International League For Peace and Freedom, protesting against the making of increased naval appropriations, which was referred to the Committee on Appropriations.

He also presented a resolution adopted by Local No. 18, Aluminum Workers of America, of Massena, N. Y., protesting against the enactment of pending legislation to change or restrict the operation of the National Labor Relations Act, which was referred to the Committee on Education and Labor.

He also presented resolutions adopted by the Petroleum Industries Committees of Allegany, Chemung, Rensselaer, Warren, and Washington Counties, in the State of New York, favoring the repeal of Federal gasoline and lubricating-oil taxes, which were referred to the Committee on Finance.

He also presented letters in the nature of memorials from Amadeus J. Ward, president of the New York Archdiocesan Union of the Holy Name Society; Gerard L. Carroll, vice chairman of the National Catholic Alumni Federation, Middle Atlantic States Group; and Mrs. M. E. Tanguy, all of New York City, N. Y., protesting against the recent action of certain Members of the Congress in sending a message extending greetings to members of the Cortes of the so-called Loyalist Barcelona Government of Spain, which were referred to the Committee on Foreign Relations.

He also presented a resolution adopted by the Buffalo, N. Y., regional office of the Committee for Industrial Organization, favoring the enactment of the bill (H. R. 1543) to amend section 24 of the Immigration Act of 1917 relating to the compensation of certain Immigration and Naturalization Service employees, and for other purposes, which was referred to the Committee on Immigration.

He also presented a resolution adopted by Pierstown Grange, No. 793, Patrons of Husbandry, at Cooperstown, N. Y., protesting against the enactment of pending legislation to limit the length of freight trains, which was referred to the Committee on Interstate Commerce.

He also presented a petition of sundry citizens of Trumansburg, N. Y., praying for the enactment of legislation to regulate the block booking and blind selling of motion-picture films, and also the enactment of legislation to regulate liquor advertising, which was referred to the Committee on Interstate Commerce.

He also presented a resolution adopted by the Chamber of Commerce of Walton, N. Y., protesting against the enactment of the bill (S. 3072) to regulate interstate and foreign commerce by prescribing the conditions under which corporations may engage or may be formed to engage in such commerce, to provide for and define additional powers and duties of the Federal Trade Commission, to assist the several States in improving labor conditions and enlarging purchasing power for goods sold in such commerce, and for other purposes, which was referred to the Committee on the Judiciary.

He also presented a resolution adopted by Pierstown Grange, No. 793, Patrons of Husbandry, at Cooperstown, N. Y., protesting against the admission of Hawaii to statehood, which was referred to the Committee on Territories and Insular Affairs.

Mr. LOGAN. I present for printing in the RECORD and appropriate reference a joint resolution adopted by the Legislature of Kentucky memorializing the Congress to make an investigation with regard to the prices of tobacco.

The joint resolution was referred to the Committee on Agriculture and Forestry, as follows:

A joint resolution of the General Assembly of the Commonwealth of Kentucky, session 1938, memorializing the President of the United States, the Congress of the United States, and the Secretary of Agriculture of the United States to take such action as may be necessary to relieve the distress of the tobacco farmers of Kentucky and adjoining States caused by the recent sharp decline in the price of tobacco by causing a careful examination and investigation to be made of the tobacco companies as to why said companies suddenly reduced the prices paid for tobacco by introducing and enacting legislation similar to the Agricultural Adjustment Act so as to control and govern the production of tobacco in the Tobacco Belt, and to take any further action deemed advisable to restore a reasonable market price for tobacco

Whereas when the tobacco markets of this State opened around December 1, 1937, and prices paid to the tobacco growers of this State by the tobacco companies bidding for same on the markets were fair and reasonable and were such as to enable the tobacco growers in this and adjoining States to receive a fair return on their investment and labor; and

Whereas when said markets were reopened after the Christmas holidays the prices for tobacco bid by said tobacco companies showed a marked decline in comparison to prices theretofore bid for the 1937 crop; and

Whereas no reasonable or apparent necessity existed for paying such reduced prices for said tobaccos; and

Whereas the Agricultural Adjustment Act passed by the National Congress and approved by the President of the United States and in operation until declared unconstitutional by the Supreme Court of the United States by a divided vote, was of such benefit and advantage to the tobacco farmers of Kentucky and adjoining States that they were able to and did control the production of tobacco, conserve their soil, and to receive a fair and reasonable price for their tobaccos: Now, therefore, be it

Resolved by the General Assembly of the Commonwealth of Kentucky, session 1938, That the President of the United States, the Congress of the United States, and the Secretary of Agriculture of the United States be memorialized to take such action as may be necessary to promptly ascertain the cause of the recent decline in the price of tobacco sold on the tobacco markets of Kentucky, and to further cause to be introduced in the National House of Congress, legislation similar to the Agricultural Adjustment Act; and be it further

Resolved, That one copy each of this resolution be forwarded by the clerk of the senate, to the President of the United States, to the President of the Senate and Speaker of the House of Representatives of the United States, to the Secretary of Agriculture of the United States, and to the Senators and Representatives of Kentucky in the United States Congress.

Mr. WALSH. Mr. President, I present copy of a motion adopted by the Massachusetts Selectmen's Association, which I ask may be treated as in the nature of a petition, printed in the RECORD, and referred to the Committee on Appropriations.

There being no objection, the paper was referred to the Committee on Appropriations and ordered to be printed in the RECORD, as follows:

Moved: That the Association of Massachusetts Selectmen in annual meeting assembled do most earnestly recommend that all W. P. A. work in the United States cease as of June 1, 1938, and that a decreasing scale of direct payments to the various States for redistribution to local welfare departments be substituted therefor; said payments for the first year not to exceed in total one-half the sum expended on W. P. A. during 1937, and to cease entirely within a 4-year period, a copy of this motion with a letter of explanation to be forwarded to both Senators and all Representatives of Massachusetts in Congress.

PETITIONS IN BEHALF OF ANTILYNCHING BILL

During the delivery of Mr. BILBO's speech, which appears later in today's RECORD,

Mr. VAN NUYS. Mr. President, will the Senator yield to me?

Mr. BILBO. I yield to the Senator from Indiana.

Mr. VAN NUYS. I ask unanimous consent, without interfering with the status of the eloquent junior Senator from Mississippi, to present at this time a great bundle of petitions, probably 25,000 in number, collected by the American Society for Race Tolerance, petitioning the Senate for the passage of the instant bill.

Mr. CONNALLY. Mr. President——

The PRESIDING OFFICER (Mr. SCHWELLENBACH in the chair). The Senator from Indiana asks unanimous consent that without displacing the Senator from Mississippi, or changing his status on the floor, the Senator from Indiana may present certain petitions. Does the Senator desire to have them noted in the RECORD?

Mr. VAN NUYS. I simply ask that their filing be noted, and that they lie on the table.

The PRESIDING OFFICER. Is there objection?

Mr. CONNALLY. Mr. President, reserving the right to object, I do not understand that the Senator is asking that the petitions be printed in extenso.

Mr. VAN NUYS. Oh, no; simply that they lie on the table.

Mr. CONNALLY. Merely that they be abbreviated in the RECORD under the heading of Petitions and Memorials?

Mr. VAN NUYS. That is correct.

Mr. CONNALLY. I have no objection to the Senator filing them in the regular way as petitions or memorials; but I should not agree to their being printed in extenso in the RECORD.

Mr. VAN NUYS. The Senator from Indiana is not asking for that.

Mr. BILBO. Before the Senator presents the petitions, let me ask whether he will vouch for the genuineness of all the signatures on the petitions?

Mr. VAN NUYS. Naturally, I cannot vouch for the genuineness of all the signatures; but this is a very reputable society of white and colored men. I think there are two sponsors who are colored men, and the others are white. Three Governors—the Governors of Kansas, Iowa, and North Dakota—and the Honorable James W. Gerard are among the sponsors.

Mr. BILBO. What is the name of the society?

Mr. VAN NUYS. The American Society for Race Tolerance, with national headquarters at 1165 Broadway, New York.

Mr. BILBO. May I ask the Senator another question? Is that the society of which this fair-skinned, blue-eyed Negro from Georgia, White by name, is the head?

Mr. VAN NUYS. Does the Senator refer to Walter White?

Mr. BILBO. Yes.

Mr. VAN NUYS. No; this is a different society.

Mr. BILBO. A different racket? Very well.

Mr. CONNALLY. Mr. President, further reserving the right to object, did I correctly understand the Senator from Indiana to say that three Governors are signatories of these petitions?

Mr. VAN NUYS. No; three Governors are sponsors of the society.

Mr. CONNALLY. How many Governors are there in the United States? There are 48, I believe. If the Senator has only three, I do not object.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Indiana? The Chair hears none.

The petition will be received, noted in the RECORD, and lie on the table.

(The petitions presented by Mr. VAN NUYS, numerously signed by sundry citizens of the United States, pray for the enactment of the so-called Wagner-Van Nuys antilynching bill.)

REPORTS OF COMMITTEES

Mr. ADAMS, from the Committee on Appropriations, to which was referred the bill (H. R. 9306) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1938, and prior fiscal years, to provide supplemental appropriations for the fiscal year ending June 30, 1938, and for other purposes, reported it with amendments and submitted a report (No. 1320) thereon.

Mr. WHEELER, from the Committee on Indian Affairs, to which was referred the bill (S. 2920) for the relief of J. Harry Walker, reported it with amendments and submitted a report (No. 1321) thereon.

Mr. MINTON, from the Committee on Military Affairs, to which was referred the bill (S. 2883) for the relief of George H. Lowe, Jr., reported it with an amendment and submitted a report (No. 1322) thereon.

EXECUTIVE REPORT OF A COMMITTEE

As in executive session,

Mr. McKELLAR, from the Committee on Post Offices and Post Roads, reported favorably the nomination of Thomas F. Burke to be postmaster at Barrington, R. I., in place of H. E. Munroe (incumbent's commission expired Mar. 17, 1936), which was ordered to be placed on the Executive Calendar.

BILLS INTRODUCED

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

By Mr. TRUMAN:

A bill (S. 3397) to amend title 45, chapter 2, section 51, of the Code of Laws of the United States; and

A bill (S. 3398) to amend title 45, chapter 2, sections 51–59, of the Code of Laws of the United States; to the Committee on the Judiciary.

By Mr. MINTON:

A bill (S. 3399) granting a pension to Hattie B. Dare (with accompanying papers); to the Committee on Pensions.

By Mr. GLASS:

A bill (S. 3400) to extend from June 16, 1938, to June 16, 1939, the period within which loans made prior to June 16, 1933, to executive officers of member banks of the Federal Reserve System may be renewed or extended; to the Committee on Banking and Currency.

By Mr. McNARY:

A bill (S. 3401) to further extend the period of time during which final proof may be offered by homestead and desert-land entrymen; to the Committee on Public Lands and Surveys; and

A bill (S. 3402) authorizing and directing the Secretary of the Treasury to reimburse Carrol D. Ward for the losses sustained by him by reason of the negligence of an employee of the Civilian Conservation Corps; to the Committee on Claims.

By Mr. TYDINGS:

A bill (S. 3403) for the relief of James W. Rogers;

A bill (S. 3404) for the relief of Elizabeth Cory; and

(By request.) A bill (S. 3405) conferring jurisdiction upon the Court of Claims of the United States to hear, examine, adjudicate, and render judgment on the claim of the legal representative of the estate of Rexford M. Smith; to the Committee on Claims.

By Mr. WALSH:

A bill (S. 3406) to confer jurisdiction upon the Court of Claims to hear, determine, and render judgment upon the claim of Allen Pope against the United States; to the Committee on Claims; and

A bill (S. 3407) authorizing the Secretary of the Navy to provide for the construction of a vessel to be furnished to the State of Massachusetts for the benefit of the Massachusetts Nautical School, and for other purposes; to the Committee on Naval Affairs.

(Mr. VANDENBERG introduced Senate bill 3408, which was referred to the Committee on Finance, and appears under a separate heading.)

(Mr. WAGNER introduced Senate bill 3409, which was referred to the Committee on Banking and Currency and appears under a separate heading.)

By Mr. WHEELER:

A bill (S. 3410) for the relief of Miles A. Barclay; to the Committee on Claims.

By Mr. NEELY:

A bill (S. 3411) to authorize the coinage of 50-cent pieces in commemoration of the seventy-fifth birthday of the State of West Virginia; to the Committee on Banking and Currency.

By Mr. PEPPER:

A bill (S. 3412) to amend the Act entitled "An Act to provide for the disposition, control, and use of surplus real property acquired by Federal agencies, and for other purposes," approved August 27, 1935 (Public, No. 351, 74th Cong.), and for other purposes; to the Committee on Public Buildings and Grounds.

By Mr. KING:

A bill (S. 3413) to repeal the Neutrality Act of August 31, 1935, as amended; to the Committee on Foreign Relations.

A bill (S. 3414) to provide for the relief of the Nicholson Seed Farms, a Utah corporation; to the Committee on Public Lands and Surveys.

By Mr. O'MAHONEY:

A bill (S. 3415) to purchase certain private lands within the Shoshone (Wind River) Indian Reservation; to the Committee on Indian Affairs.

A bill (S. 3416) providing for the addition of certain lands to the Black Hills National Forest in the State of Wyoming; to the Committee on Public Lands and Surveys.

By Mr. O'MAHONEY and Mr. SCHWARTZ:

A bill (S. 3417) for the relief of the State of Wyoming; to the Committee on Military Affairs.

By Mr. JOHNSON of Colorado:

A bill (S. 3418) for the relief of Shelton H. Streater; to the Committee on Claims.

A bill (S. 3419) authorizing the appointment of George L. Baker as a captain of infantry, United States Army, Officers' Reserve Corps, to be placed upon the inactive list; to the Committee on Military Affairs.

AMENDMENT OF SOCIAL SECURITY ACT

Mr. VANDENBERG. Mr. President, I ask unanimous consent to introduce a bill embracing certain amendments to the Social Security Act, which I ask to have referred to the Finance Committee. Inasmuch as the amendments are technical in nature, I ask that a brief statement explaining them may be printed in the RECORD.

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

The bill (S. 3408) to amend the Social Security Act, was read twice by its title and referred to the Committee on Finance.

The statement presented by Mr. VANDENBERG is as follows:

1. Hold pay-roll taxes for old-age retirement benefits to 1 percent on employers and employees, instead of the existing graduation up to a total of 6 percent—until Congress reviews the whole subject at a time when there is adequate experience upon which to base a conclusive opinion. Incidentally, the effect would be to hold down the $47,000,000,000 full reserve to an amount merely sufficient to retire a large portion of the national debt.

2. Requiring pay-roll taxes to go automatically into the old-age reserve account and providing a Federal guaranty for any deficit. This would partially cure the present indefensible practice of mingling these pay-roll collections with general Treasury revenues that are spent for general purposes.

3. Requiring that the old-age pension reserves, insofar as possible, shall be used to retire existing Federal indebtedness rather than as an excuse and shield for new bonds and bigger debts, and limiting the issuance of any new or special bonds, for this purpose, to a 5-year maturity.

CAPITAL OF COMMODITY CREDIT CORPORATION

During the delivery of Mr. BILBO's speech,

Mr. WAGNER. Mr. President, I ask unanimous consent that I may be permitted to introduce a bill for appropriate reference, without the Senator from Mississippi [Mr. BILBO] losing the floor.

The PRESIDENT pro tempore. Without objection, it is so ordered; and the bill will be received and appropriately referred.

The bill (S. 3409) to maintain unimpaired the capital of the Commodity Credit Corporation at $100,000,000, and for other purposes, was read twice by its title and referred to the Committee on Banking and Currency.

AMENDMENT OF TARIFF ACT—CIGARS

Mr. PEPPER submitted an amendment intended to be proposed by him to the bill (H. R. 8099) to amend certain administrative provisions of the Tariff Act of 1930, and for other purposes, which was referred to the Committee on Finance and ordered to be printed.

AMENDMENT TO FIRST DEFICIENCY APPROPRIATION BILL

Mr. GILLETTE submitted an amendment intended to be proposed by him to House bill 9306, the first deficiency appropriation bill, 1938, which was referred to the Committee on Appropriations and ordered to be printed, as follows:

On page 2, after line 14, to insert the following:

"FEDERAL TRADE COMMISSION

"Printing and binding: For an additional amount for printing and binding not to exceed $28,232."

ALLEGED AGREEMENTS BETWEEN UNITED STATES AND OTHER NATIONS

During the delivery of Mr. BILBO's speech,

Mr. JOHNSON of California. Mr. President, will the Senator yield to me for a moment?

Mr. BILBO. I shall be delighted to yield to the Senator from California for a question.

Mr. JOHNSON of California. I ask that the Senator yield to me for the submission of a very brief resolution without in any degree affecting his rights and that the floor may be returned to him immediately thereafter.

Mr. BILBO. I shall be delighted to yield for that purpose.

Mr. BARKLEY. Mr. President, it is not contemplated by the Senator from California that there shall be any action on his resolution at this time?

Mr. JOHNSON of California. Oh, no!

The PRESIDING OFFICE (Mr. SMATHERS in the chair). The Senator from California asks unanimous consent that he may submit a resolution at this time. The Chair hearing no objection, consent will be given.

Mr. CONNALLY. Mr. President, I ask the Chair to state the request more fully. The Senator from California asks unanimous consent that he may submit this resolution without in any way impairing the rights of the Senator from Mississippi.

The PRESIDING OFFICER. The Senator from California asks that the floor may be yielded to him for the purpose of submitting a resolution without the Senator from Mississippi losing any of his rights. Is there objection? The Chair hears none.

Mr. BILBO. I shall be delighted to yield under those circumstances.

Mr. JOHNSON of California. Mr. President, I submit a resolution, and ask simply that it be read—it is not lengthy—and then that it lie on the table and await its turn until it shall come up at a subsequent session.

The PRESIDING OFFICER. The resolution will be read.

The resolution (S. Res. 229) was read, as follows:

Resolved, That the Secretary of State be, and he is hereby, requested, if it be not incompatible with the public interest, to advise the Senate (a) whether or not any alliance, agreement, or understanding exists or is contemplated with Great Britain relating to war or the possibility of war; (b) whether or not there is any understanding or agreement, express or implied, for the use of the Navy of the United States in conjunction with any other nation; (c) whether or not there is any understanding or agreement, express or implied, with any nation, that the United States Navy, or any portion of it, should police or patrol or be transferred to any particular waters or any particular ocean.

Mr. BARKLEY. Mr. President, I have no objection to the resolution lying on the table for the present; but it is a character of resolution which I think should go to the Committee on Foreign Relations whenever it is reached for consideration.

Mr. JOHNSON of California. No, Mr. President; I shall oppose that reference. I will let the resolution lie on the table, however, until it shall come up. Then the Senator from Kentucky may present his motion, and I shall be one Senator voting against it.

The PRESIDING OFFICER. Without objection, the resolution will be printed and lie on the table.

TESTIMONIAL DINNER TO SENATOR DUFFY—ADDRESS BY SENATOR BARKLEY AND LETTER FROM PRESIDENT

[Mr. MINTON asked and obtained leave to have printed in the RECORD the address delivered by Senator BARKLEY on the occasion of the testimonial dinner to Senator DUFFY, at Fond du Lac, Wis., on February 5, 1938, and also a letter written by the President of the United States in honor of the same occasion, which appear in the Appendix.]

ARMAMENTS OR INTERNATIONAL ECONOMIC COOPERATION—ADDRESS BY SENATOR THOMAS OF UTAH

[Mr. POPE asked and obtained leave to have printed in the RECORD a radio address delivered by Senator THOMAS of Utah on February 5, 1938, in the regular World Economic Cooperation series of broadcasts, which appears in the Appendix.]

FORUM ON WORLD PEACE THROUGH WORLD TRADE—MESSAGES AND ADDRESSES DELIVERED

[Mr. THOMAS of Utah asked and obtained leave to have printed in the RECORD messages from the President of the United States, the Secretary of State, the Secretary of Commerce, and several short addresses delivered at the forum on World Peace Through World Trade, held at New York City, January 18, 1938, which appear in the Appendix.]

INTERNAL-REVENUE COLLECTIONS AND RELIEF EXPENDITURES

[Mr. TOWNSEND asked and obtained leave to have printed in the RECORD a corrected table making a comparison between total Federal relief expenditures and revenue collections for the fiscal years 1933 to 1937, inclusive, which appears in the Appendix.]

THE NEED OF A SPIRITUAL AWAKENING IN MODERN LIFE—ADDRESS BY CHARLES C. SELECMAN

[Mr. CONNALLY asked and obtained leave to have printed in the RECORD an address delivered by Charles C. Selecman, president of the Southern Methodist University, of Dallas, Tex., on January 12, 1938, on the subject The Need of a Spiritual Awakening in Modern Life.]

FRATERNITY IN THE RECONSTRUCTION OF THE SOCIAL ORDER—ADDRESS BY MSGR. FULTON J. SHEEN

[Mr. WALSH asked and obtained leave to have printed in the RECORD a radio address by Rt. Rev. Msgr. Fulton J. Sheen, entitled "Fraternity," delivered under the auspices of the National Council of Catholic Men, which appears in the Appendix.]

A CONSUMER'S VIEW OF T. V. A.—ARTICLE BY GEORGE F. MILTON

[Mr. MCKELLAR asked and obtained leave to have printed in the RECORD an article by George F. Milton, entitled "A Consumer's View of T. V. A.," reprinted from the Atlantic Monthly for November 1937, which appears in the Appendix.]

THE MERCHANT MARINE

[Mr. GIBSON asked and obtained leave to have printed in the RECORD an article by William McFee relative to the merchant marine, published in the New York Sun of Saturday, January 29, 1938, which appears in the Appendix.]

TRADE AND PEACE

[Mr. BARKLEY asked and obtained leave to have printed in the RECORD an article by Livingston Hartley on the subject Trade and Peace, published in the Washington Post of February 5, 1938, which appears in the Appendix.]

AGRICULTURAL RELIEF—CONFERENCE REPORT

Mr. McNARY. Mr. President, I send to the desk a unanimous-consent request for which I ask immediate consideration.

The VICE PRESIDENT. The request for unanimous consent will be read.

The legislative clerk read as follows:

I ask unanimous consent to have printed in parallel columns, for the use of the Senate, the bill H. R. 8505—the farm relief bill—as passed by the Senate and as agreed to by the conferees.

The VICE PRESIDENT. Is there objection to the unanimous-consent request of the Senator from Oregon?

Mr. BARKLEY. Mr. President, let me ask the Senator a question. Does the request contemplate printing the bill as passed by the House and as passed by the Senate?

Mr. McNARY. Oh, no; the language is perfectly clear. The course is one that is usually taken on an occasion of this kind. I desire to have printed in parallel columns the bill as passed by the Senate and as reported by the conferees, so that we may have some idea of what is in the conference report.

The VICE PRESIDENT. Is there objection?

Mr. BARKLEY. I have no objection to that course; but I was wondering why the Senator limited the request to the Senate bill, because the conferees had under consideration both the Senate bill and the House bill. I have no objection to the request as proposed.

Mr. McNARY. Mr. President, since we are more familiar with the Senate bill than with the House bill, and the conference report is the matter upon which we should act, I thought what I have suggested would be sufficient; but, personally, if it will not involve too much trouble or expense, I should like to have the three measures printed in parallel columns, agreeably to the suggestion made by the able Senator from Kentucky. So I modify my request in that respect.

Mr. POPE. Mr. President, we could not quite understand what was going on. Is it the request of the Senator that all three of the documents be printed—the House bill, the Senate bill, and the conference report?

Mr. McNARY. That the bill as reported by the conference committee, the House bill, and the Senate bill be printed in parallel columns, so that, if possible, we may have some notion of what has been done.

The VICE PRESIDENT. Is there objection to the request of the Senator from Oregon, as modified? The Chair hears none, and it is so ordered.

PREVENTION OF AND PUNISHMENT FOR LYNCHING

The Senate resumed the consideration of the bill (H. R. 1507) to assure to persons within the jurisdiction of every State the equal protection of the laws, and to punish the crime of lynching.

Mr. BILBO. Mr. President, last week we took a vote on the question of laying aside the pending measure and proceeding with the legislative program. It was very gratifying to me to know that there were 52 Senators who wanted to hear the remainder of my 30-day speech. I have 28 days more to my credit; and I take that vote as a very high compliment, and as showing an interest in what I am trying to tell the Senate and the country.

In the beginning today, I desire to call the attention of the Senate to some very interesting information I have just received from Chicago. Possibly some of you have not discovered just what has been taking place in this country during recent months, and what is taking place today. For 3 days I have been trying to drive home the fact that the white American people are divided into two classes. You either believe in amalgamation of the whites with the blacks or you are in favor of separation of the two races. When I say you believe in amalgamation, I do not mean that any of you are parties to it; but it is an undeniable fact, an irrefutable fact, as shown by 10,000 years of authentic history, that wherever and whenever two races have tried to live side by side, in the course of time complete amalgamation has taken place.

If that is true, and you are willing for the whites and the blacks to live side by side in America, then you are in favor of your race, the white race, amalgamating with the black race. You are either in favor of that or you will join me and a great many present-day Negro leaders in an attempt to bring about a separation of the white man from the black man by the repatriation of the Negro back to his motherland or his fatherland, Africa.

These matters are pertinent to the pending measure, because, after all, this lynching bill deals with a race problem, admittedly so. Oh, it is said that "the bill affects every State in the Union"; but the press of the country and those who are advocating this measure who are honest and frank will tell you that it is intended primarily for the Southern States, or the Black Belt of the Nation.

After emphasizing the solution of the lynching question, which also is the solution of all the racial questions we shall have in the future, I entertained the hope that I would be here on the floor of the Senate when some of you Senators from the States north of the Mason and Dixon's line will be here on the floor asking the southern Senators to join hands with you in helping you to solve the racial friction you will have in your own communities, in your own States.

It has not been many months since our Senators from the Pacific coast were here on their knees begging Congress to do something about helping them solve the racial problems and troubles they were having in the Pacific States with the yellow man, the Japanese, as well as the Chinese. You may feel safe and secure today in your sections where you have not such a predominance of the Negro race; but I make the prophecy that in a few years you or your successors will be here on the floor of the Senate begging the South to help you solve the racial troubles that are springing up in your own communities.

Here is the information from Chicago to which I refer. This letter is dated February 2, 1938. It is not old stuff. It was written by the president and secretary of the Peace Movement of Ethiopia—One God, One Country, One People; to Return People of African Descent to Their Motherland, Africa.

The letter reads as follows:

CHICAGO, ILL., *February 2, 1938.*

DEAR SIR: We thank you for your interest shown in our petition, in your speech against the antilynch bill, your three points, drawn as follows:

1. Draw the color line.
2. Set the race in some island in the sea.
3. Send them back to Africa.

Those were the three solutions I suggested for the settlement of this question. Now, listen to this man, the president and spokesman of an organization which today has over a million members of the Negro race:

Your third solution—

That is, back to Africa—

is highly endorsed by the 1,000,000 members of the Peace Movement of Ethiopia. This will not alone settle the race problem in America, but will also solve the problems of unemployment—

I have been telling you for 3 days that this solution of the race question, the lynching question, and all the racial frictions that you are going to have will not only solve the race problem, but it will settle the problem of unemployment in this country—

problems which threaten the very foundations of the tranquillity of this Nation.

The recent census of unemployment in this country shows in the neighborhood of eight or ten million persons unemployed. Just the other day there was a great meeting in Chrysler Square in Michigan of 100,000 or 200,000 unemployed persons; and the unemployment question is going to keep bobbing up all through the years.

Here is a solution of the race question and of the problem presented by the antilynching bill. Two questions can be solved at one time, the race problem and the unemployment problem.

There are millions of us who abhor alms, both private and public. We know that in our ancestral country we can carve a frugal but decent civilization of our own in that favorable climate and virgin soil.

The Negro is not afraid to go to Africa.

This organization is made up of the industrial masses—farmers and men of skill, and in the land of our forefathers we will not only make a living for ourselves but will be free from race prejudice and discrimination.

We highly approve your opposition to the mixture of the two races, for we, likewise, detest the same thing.

This is a Negro talking.

For a long period of time the mixing of the two races came from one side, the white man and the colored woman. But now it is coming from both sides. Since communism has established itself in this country it is quite common to see a white woman rocking black babies.

Senators will remember that I stated a few days ago that in Illinois and Michigan, where miscegenation or intermarriage has been practiced for a number of years, there are several thousand couples where Negroes have married white girls and white men have married Negro girls. They cross both ways.

We positively resent the mixture from either side and the only way to stop it is to separate the two races.

This is the conclusion of the Negroes who have given thought to this question.

We hope you will continue to push to the top this deportation measure, for this, and this alone, will save both your race and mine.

Mr. LEWIS. Mr. President, will the able Senator from Mississippi allow an interrogation?

The PRESIDENT pro tempore. Does the Senator from Mississippi yield to the Senator from Illinois?

Mr. BILBO. I am delighted to yield.

Mr. LEWIS. Does the writer intimate that it is the desire of the Government to provide funds to place these Negroes where they wish to go? Is there anything in the communication which indicates the particular locality where they wish to locate themselves? Finally, is there a suggestion that the colored people, of an intelligent order, as in my city of Chicago, wish to exchange Chicago for Africa?

Mr. BILBO. Yes; that is all covered in the memorial to President Roosevelt, which I shall read after I finish the introductory remarks.

Mr. LEWIS. I regret disturbing the Senator.

Mr. BILBO. They will be very anxious to swap Chicago for Africa, as I will show before I conclude.

There are several million of us who will go back to Africa by our own consent.

I have never suggested that any forcible means be employed to send the Negroes back to Africa. I shall show in a moment that if we allow those who desire to go and who are begging to go, this crowd of obstructionists, this crowd of Negroes who do not want to go, will have to follow as a matter of course.

There are several million of us who will go back to Africa by our own consent.

Listen to this:

When the masses are once sent away, the oppositionists—

That is, the highbrows, the mulattoes, the octoroons, the Negroes who are exploiting their own people—

which are the classes, will be forced to follow. They cannot exploit the white people as they do their own.

We may find some Negroes among the octoroons and the quadroons and the mulattoes who would be very much opposed to any proposition of repatriating the Negro to his fatherland, because they are the "top boys," who have their rackets, and who are exploiting the masses of their own race. When we once send back to Africa the masses, the ones who desire to go, the others will have to follow, because these Negroes cannot exploit the white masses of this country.

We are enclosing a copy of our memorial, sent to President Roosevelt on November 14, 1933. We will be glad to hear from you at your own convenience. Our signatures are growing rapidly.

Respectfully,

THE PEACE MOVEMENT OF ETHIOPIA,
Mrs. M. M. L. GORDON, *President*,
EDMOND HOLLIDAY, *Secretary*.

Let us see about this memorial. These Negroes have filed a petition with President Roosevelt. At the beginning of the depression they wrote the President a letter. Let us see what they propose to do. Let us see what they want.

A memorial

Whereas the Congress has empowered the President to exercise his judgment in the present crisis in a manner suited to the exalted office and provided him with the means to execute his plans for the amelioration of distress and the restoring of normalcy; and

Whereas the distress of the unemployed is most severely felt by such of the uneducated American Negroes who abhor alms, both public and private, in any guise; and

Whereas the removal of a half million of the poorest from a competitive labor market at this time would tend to relieve to that extent the condition and opportunities of the remainder:

Therefore we, the subjoined signatories, American citizens of African extraction, individually and collectively, join in respectfully petitioning the President to consider our proposal, confident that his conclusions will be for the best interests of our families and of the community at large.

WHO WE ARE

We desire to make it clear, first of all, that this is not a "racket" or scheme for the enrichment or self-glorification of any group or individual. The signatories pay no dues or other fees and the officers of the Peace Movement of Ethiopia serve entirely without pay, meeting their expenses wholly out of their own meager resources. Nor do our plans involve the taking over of any Government funds. We propose that the Federal Government itself meet directly such initial expenditures as launching of adopted plans involves.

Listen to this:

We are of the so-called North.

These are not southern Negroes. Nearly all the Negroes of the South would go.

We are of the so-called North, most of us having been driven from a cruel and avowedly intolerant South to the cities and towns of the Middle West, "the bread basket of America," without a just opportunity to earn a livelihood in our abject new state. We are the simple-minded, sincere lowly, law-abiding workers who have maintained traditions of simple honesty, industry, and frugality as much from choice as from necessity. Few of us have any education, but we have learned not to heed the blandishments of self-seeking politicians, impostors, and the unworthy and undesirable products of a hectic civilization that is foreign to our nature.

In other words, this class of Negroes is not going to listen to the politicians any longer.

We recognize the fact that there are exploiting elements in partisan politics, in industry and commerce, and even among our own people who oppose the movement laid before the President hereinafter. But the wreckage of cupidity and intrigue strew the spectacular path of our race wherever a concerted movement for our betterment has fallen prey to crafty leadership in the past. We have avoided even our own self-seeking racial leaders.

In other words, they did not call on Walter White, of New York.

We have a vivid realization of the hardships and toil that the fruition of our plans in a strange land entails. But we are inured to toil and the ultimate goal of social and economic freedom gives us heart to welcome the hardships for our children's sake.

For these reasons we are not sponsored by self-styled leaders and come before the President unheralded but with alert minds and clean, calloused hands. Should the President require further information about our numbers, our need, our earnestness, and fitness for the proposed undertaking, we entreat him to seek such information among those who hold themselves in readiness to join in the execution of the plans hereinafter proposed.

WHAT WE ASK

This answers the question of the Senator from Illinois:

We were torn from our original homes and kindred people against our will; but the pride of ancestry and homing instinct survive the whip and social ostracism; they are as strong in our bosom as they are in the hearts of other races. We fully understand that social and political equality of races is as repugnant to the dominant race in America as it is to the dominant races

elsewhere in the world. Yet race consciousness and contempt for previous servitude bid fair always to oppose each other at the behest of those who trade on them. The ever possible bloodshed is as abhorrent to our stricken people as it is to other law-abiding citizens.

Hungry, cold, and miserable, the pursuit of life, liberty, and happiness in America appears futile. Given an opportunity in our own ancestral Africa, the knowledge of farming and simple farm machinery and implements, which we have acquired here, would enable us to carve a frugal but decent livelihood out of the virgin soil and favorable climate of Liberia or such other well-disposed country where the Federal Government, in its wisdom, might acquire a footing for us.

They are expecting to go to Liberia, but they will go anywhere in Africa that the Government might provide.

We most respectfully ask that the Federal Government negotiate with the Liberian Government for such land as existing treaty rights entitle us to, sufficient to colonize the entire body of the signatories hereto and finance the movement to the extent desirable for ultimate success. The details of our projected plans have been worked out tentatively, subject to the revision of a benign government.

They are ready to go.

We respectfully ask that the President graciously have this matter investigated now, with a view to fulfilling the expressed desires of Abraham Lincoln in this respect. We are a liability now, and any cost of this project, no matter how great, would still, we sincerely believe, be a sound investment for the American people. We might require the guidance of some of the Departments of the Federal Government, for a brief period. But, even if that be denied us, we could acquit ourselves with credit to the land of our tutelage, provided only the material aid is supplied to meet the first financial and mechanical requirements. A selective army of pioneers can be recruited from our ranks for the preparatory work on the ground.

I might stop in my reading to make the statement right here that that was exactly Abraham Lincoln's idea when he called the conference of freed Negroes in the White House and asked for volunteers who would go out as pioneers, as messengers, as harbingers, go onto the land, look it over, and make their report, as did the faithful spies at one time in Biblical history, who went into the promised land and brought back their report, and also great bunches of grapes.

We have no Utopian dreams of elevating the entire Negro race, no disconcerting requests in behalf of those Afro-Americans who prefer to remain here. We submit only what we consider a practical and practicable remedy for an acute ailment of American social and economic life. We, the subjoined and accompanying signatories, merely ask respectfully that we be eliminated from an overcrowded labor market and given a helping hand in establishing such social and economic independence as we are fitted for—establishing it where it will give no offense and where it may serve as an object lesson to tempt those who remain.

The colonial activity of America has always been based on benevolent paternalism and we respectfully ask that this administration interest itself in like manner in behalf of these Africans whose forebears were brought here forcibly and who are now stranded here amid uncongenial surroundings.

We await the call.

THE PEACE MOVEMENT OF ETHIOPIA,
MRS. M. M. L. GORDON, *President*.
EDMOND HOLLIDAY, *Secretary*.

The PRESIDENT,
The White House, Washington, D. C.
Dated at Chicago, Ill., November 15, 1933.

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

Mr. BILBO. I yield.

Mr. LEWIS. I ask the able Senator where the headquarters of this organization is. Does it seem to be in Chicago?

Mr. BILBO. The headquarters is in Chicago. The executive president lives at 4451 South State Street. That is the only address given on the stationery.

Mr. LEWIS. That is in the only colored congressional district we have represented by a colored Representative.

Mr. BILBO. Yes. The address is 4451 South State Street. Of course, one would naturally expect that the Black Belt, which sent a Negro to the House of Representatives, should be the leader in such a movement. The memorial says it is backed up by over a million Negroes who have already made tentative arrangements and are ready to go. However, there are Negroes of a certain class or element who are obstructionists to this great idea of repatriating the Negro in his fatherland in Africa, and one will generally find that they are the high mulattoes, the octoroons, who have a record of profiteering upon the masses of the Negro race. They are satisfied. Those Negroes who favor repatriation say, "If you will send the masses to Africa, then that class which is now standing out as obstructionists will have to follow, because they cannot thrive in this country by trying to exploit the white masses as they are now exploiting the black masses."

Mr. LEWIS. Mr. President, I listened with great interest to the reading of the document, but, knowing that the able Senator from Mississippi has omitted nothing, I was most attracted by the fact that there is no advocacy of the pending measure in the communication he read. There is neither advocacy of the antilynching bill, nor any reference to it, which would in any way indicate that these particular representatives are for or against it. Am I correct in that statement?

Mr. BILBO. I beg the Senator's pardon. Will he repeat the question?

Mr. LEWIS. I was attracted to the Senator's reading, and, listening with great attentiveness, I observed, if I am not in error, that there was nothing in this communication advocating the antilynching bill, or any expression in its favor. There is no expression contained in it one way or the other with regard to the antilynching bill.

Mr. BILBO. Most certainly not, except that the letter addressed to me makes this statement:

Your third solution—

I am trying to solve this antilynching problem because I know that we are going to have an antilynching measure before the Congress as long as the Negro can vote north of the Mason and Dixon's line. I am trying to get it out of the way once for all, and my solution is the repatriation of the Negro. Get him out. Then we will not have any antilynching bill. Then we will not have any filibuster. [Laughter.]

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

Mr. BILBO. Let me complete my answer to the question of the Senator from Illinois.

The communication says:

Your third solution is highly endorsed by the 1,000,000 members of the Peace Movement of Ethiopia. This will not alone settle the race problem in America but will also solve the problems of unemployment.

In other words, the solution I am offering will solve the race problem. This bill represents a race problem, and the writer so understands it, and every Negro knows it is a race problem. Whether the whites do or not I do not know.

I shall be glad to yield to the Senator from New Jersey.

Mr. SMATHERS. Where did the Senator's ancestors come from when this country was settled?

Mr. BILBO. My ancestors?

Mr. SMATHERS. Yes.

Mr. BILBO. I am half French and half Irish. My maternal ancestors came from France and my paternal ancestors from Ireland.

Mr. SMATHERS. How would the Senator react to a proposal that he be gathered up down in Mississippi or in Washington and shipped back to Ireland or to France?

Mr. BILBO. How is that? [Laughter.]

Mr. SMATHERS. How would the Senator react to a proposal that he be gathered up down in Mississippi or here in Washington and shipped back to France?

Mr. BILBO. I would object, because my father's and my mother's people were the people who helped to take this country away from the Indians. It is ours by conquest. The country is ours, and our ancestors paid a price for it. Many of them were scalped in the effort, and they paid for it dearly. They took it away from the Indians, and the Negro did not have a thing to do with it.

Mr. President, I repeat that any thoughtful Senator or any other thoughtful citizen of this country who is willing to investigate, who is willing to study, who is willing to make a research, whose mind is open and willing to learn history—and about the only light we have to travel by is the light of experience of the past—will be forced to the inevitable conclusion that if the two races continue to live side by side amalgamation is going to take place in this country. We have been doing business here for 300 years. I think the first settlement was at Jamestown in 1607, and the settlers started to bring in Negroes as soon as they arrived. The Negroes have been with us only 300 years from the time their ancestors first came here, when they were as black as the ace of spades and had no white blood in them.

What has happened in 300 years? There are in the United States 12,000,000 Negroes, and half of them have white blood in them now; and if half of them in 300 years have white blood in them, what will happen in the next 300 years? History shows that the process of mixing, interbreeding, intermarriage is going on. Some of the lawmakers in the State legislatures are so anxious to obtain control in their political fights and in their party opposition to each other, and in struggles they are so anxious to control the Negro vote that in some of the States they actually have passed laws legalizing the marriage of Negroes with whites. They not only favor it personally but by the acts of their State legislatures they have legalized the interbreeding of the races. But, as I have said frequently, I think it is not the legal interbreeding that is bringing about so much amalgamation in this country; it is the illegitimate interbreeding.

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

Mr. BILBO. I yield.

Mr. CHAVEZ. Can the Senator from Mississippi tell us where that illegitimate interbreeding is taking place, in what sections of the United States?

Mr. BILBO. All over the United States, wherever a Negro is found. It is just as bad in New Jersey as it is in Mississippi. Wherever the two races are found side by side it occurs. That is my whole story, that is my whole theme, that wherever they are side by side they will mix. Down in Kentucky, where Henry Clay led the fight to bring about the repatriation of the Negro from 1820 to 1850, there is as much interbreeding as there is in any State in the American Union. Some things have taken place down there which are awful.

I am trying to bring to the attention of the Senate and of the country the question of repatriation, which is the only solution. There is one element of the Caucasian race which believes in race purity, and believes in keeping pure the blood strain of the Caucasian. That element knows that amalgamation is going to take place, and that it will not be many years before we have a blending, a coalescing, a getting together or combination of the pure whites of the South, of the North, of the East, and of the West, when the great white race shall speak as one against the amalgamation that is taking place now in this country.

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

Mr. BILBO. I shall be glad to yield.

Mr. CHAVEZ. I understood the Senator to state that amalgamation is taking place.

Mr. BILBO. Plenty of it.

Mr. CHAVEZ. So, it must be a two-sided proposition.

Mr. BILBO. That is admitted. It is legalized in some States.

Mr. CHAVEZ. The only way to get rid of that condition would be to send the Negro away.

Mr. BILBO. That is the only way to stop it. If the Senator knows of any other way, I should appreciate hearing of it. We fight over the antilynching bill, and we talk about race friction. So-called civil rights bills are passed by some of the States. The Philadelphia Record urges a national bill for civil rights. In all these controversies no one has dared to offer any solution. No one has offered any solution to prevent the amalgamation that we know is taking place.

Mr. CHAVEZ. Mr. President, will the Senator yield further?

Mr. BILBO. I yield.

Mr. CHAVEZ. Across the Potomac River in Virginia there is buried one whom we all revere. Suppose it were to be found out some day that the Unknown Soldier happens to be a colored man. Would the Senator be in favor of sending him back to Liberia?

Mr. BILBO. I am perfectly willing to keep the dead ones here. [Laughter.] Their days of amalgamation are over.

Since I shall continue to urge the repatriation of the Negro, and since more than 1,000,000 of them have petitioned the Government to bring about repatriation, and since I know that there are many millions more, especially in the South, who would gladly join in a program of repatriation, I want to give to the Senate and to the country a brief history of just what has taken place in this country in an effort to repatriate the Negro. I am indebted to the Honorable Earnest Sevier Cox, of Richmond, Va., for the very excellent history which he has furnished me. It begins away back in the early days of our history.

First, I desire to invite attention to the Proclamation of Emancipation by Abraham Lincoln. A great many people, without investigating, think that Lincoln's Emancipation Proclamation freed all the Negroes in America. This is what Lincoln said:

I, Abraham Lincoln, President of the United States and Commander in Chief of the Army and Navy thereof, do hereby proclaim and declare that * * * it is my purpose, upon the next meeting of Congress, to again recommend * * * the immediate or gradual abolishment of slavery * * * and that the effort to colonize persons of African descent, with their consent, upon the continent or elsewhere, with the previously obtained consent of the government existing there, will be continued; that on the 1st day of January, A. D. 1863, all persons held as slaves within any State, or any designated part of a State, the people whereof shall then be in rebellion against the United States, shall be then, thenceforth, and forever free.

(At this point Mr. BILBO yielded to Mr. WAGNER, who introduced a bill, which appears elsewhere under its appropriate heading in today's RECORD.)

Mr. BILBO. So, Abraham Lincoln in his proclamation did not set all the Negroes free. He set free only those who were owned by the people in that part of the Nation which was then in rebellion. And not only in the Emancipation Proclamation but again and again on other occasions he stated that he was behind the movement to repatriate the Negro to his fatherland.

The Emancipation Proclamation proclaimed freedom for the slaves, and proclaimed that efforts to colonize them would be continued. In the interval between the reading of this document to his Cabinet, while waiting for a Federal victory before proclaiming emancipation of the slaves, President Lincoln assembled free Negroes in the White House and informed them that he intended to enter into a general program which would solve the race problem through a peaceful and voluntary separation of the races. He closed his address to the free Negroes in the following words: "The practical thing I want to ascertain is whether I can get a number of able-bodied men, with their wives and children, who are willing to go when I present evidence of encouragement and protection. Could I get a hundred tolerably intelligent men, with their wives and children, and able to 'cut their own fodder' so to speak? Can I have 50? If I could find 25 able-bodied men, with a mixture of women and children, good things in family relation, I think I could make a successful commencement. I want you to let me know whether this can be done or not."

He is still speaking to these free Negroes.

"This is the practical part of my wish to see you. These are subjects of very great importance—worthy of a month's study, instead of a speech delivered in an hour. I ask you, then, to consider seriously, not pertaining to yourselves merely, not for your race and ours at the present time, but as one of the things, if successfully managed, for the good of mankind—not confined to the present generation, but as

"From age to age descends the lay
To millions yet to be,
Till far its echoes roll away
Into eternity."

That was a speech that Abraham Lincoln made to the free Negroes whom he called together in the White House following the time when he read his proclamation of emancipation to his Cabinet, and before the day he announced it as a war measure against the Confederacy.

In this White House address to the free Negroes, President Lincoln offered Federal aid to those who would volunteer for colonization and stated that he would begin the movement if as many as 25 would volunteer.

I have already read extracts from the memorial to President Franklin D. Roosevelt. I am giving the history as prepared by Mr. Cox.

President Roosevelt, through his secretary, Mr. McIntyre, replied to the memorialists, recognized the difficulties of the situation and regretted that it was not practical at that time to consider their proposed steps for repatriation. The memorialists then sought assistance from Virginia, which State had taken the initiative in acquiring the territory which is now Liberia—

I am reciting this history because I want it to be known that I am not alone in making this fight for the repatriation of the Negro.

and the General Assembly of Virginia passed the following memorial to Congress, February 1936:

House joint resolution

"Whereas there is valuable land sparsely populated in the Republic of Liberia, a portion of which land is reserved for American Negro colonists, and many of our Negroes evidence a desire to live in an independent nation of Negroes and strive to achieve a high and honorable race destiny: Therefore be it

"*Resolved by the house of delegates (the senate concurring)*, That the General Assembly of Virginia memorialize the Congress of the United States to make provisions for the colonization of persons of African decent, with their own consent, in Liberia, or at any other place or places on the African continent."

I have already stated that Liberia has an area of 45,000 square miles and a population of 2,000,000.

I will admit that Liberia alone is not large enough in area to take care of 12,000,000 Negroes in addition to the 2,000,000 who are already citizens of that republic, but it would be a very easy matter for the Congress to respond to the petition of the Virginia Legislature. Congress could direct the President of the United States and the Secretary of State, Mr. Hull, to open negotiations with the French Government and with the British Government. We could buy all the territory needed to colonize 12,000,000 Negroes. In fact, we could get almost as much territory in Africa as we have now in the United States. The French own all the African territory to the north of Liberia, all the way up to the Mediterranean Sea, and the British own the territory to the south, all the way to the Cape of Good Hope. Since both France and England are considerably in arrears on their war debts, there is no reason why we should not give them an opportunity to pay their just and honest obligations to this country by selling to us as much territory as the Negro race would need for the next several hundred years. This region in Africa is a wonderfully fine country; it is noted for the fertility of its soil and for its great resources; in fact, I am told that this part of Africa has more, greater, and better resources than has the United States, in coal, in metals, in gold, in timber, and practically in every other resource needed for the establishment of a great nation for our colored brethren now living in this country.

The peace movement's appeal to President Roosevelt would be classed, I think, as the most extraordinary Negro racial document in the history of the Nation. The program of the organization is restricted to a single purpose: "To return people of African descent to their motherland, Africa." It marks, however, but one of an historical series of Negro effort to effect racial repatriation. It was but a decade ago that the Universal Negro Improvement Association, under leadership of Marcus Garvey, was proclaiming the ideals of Negro blood integrity, Negro advancement culturally and racially, and a repatriation movement with Liberia as its initial objective.

Before we survey, historically, Negro effort to reestablish the American portion of the race in the land of its ancestors, we should know something of the history of the British colony of Sierra Leone on the west coast of Africa in which recaptured slaves and certain blacks from Great Britain, the United States, and the British West Indies had been colonized.

Mine is not a new idea.

President Jefferson corresponded with the Sierra Leone Co. and sought to secure the consent of that country to receive Negro emigrants from the United States. The British rejected Jefferson's proposal and gave as one reason for their refusal to receive emigrants from the United States what amounted to a severe condemnation of the character of the American Negro as a nation builder. It was stated that the British Negro—those that had been received from Great Britain and the British West Indies—had the qualities requisite for freedom, and for establishing a nation of their kind, but that the American emigrants were a worthless and troublesome element.

This is the British indictment against the American Negroes.

An unfair estimate, we think, and one not so favorable to the British; for the American Negroes that have been repatriated by that country were those who had been lured from their masters in the Revolutionary War; and this condemnation of their late war comrades seemed to imply that only worthless Negroes had joined the British forces.

Mr. President, someone may brand me as a crank, as an impossible dreamer, but I have entertained this idea for many years. "God works in a mysterious way His wonders to perform." The African colony is the home of the Negro. He is there in his wild state; he is there uncivilized; he has no religion except that of cannibalism and fetichism; he knows nothing of the Christian religion. I have entertained the idea that God, in His wondrous way, was looking to the day when Africa would be rejuvenated, revolutionized, and the black man of the African jungle would be brought to the Christian religion; and He is doing it and has done it through the slaves that were brought to America. As we, the Christian people of America, have given the Negro the culture, the refinement, the education and the ideals and the spirit that a great many of them possess, and there are some splendid individuals among the Negroes; we have put them in shape, a position where they can take care of themselves, and I believe that some day in the near future the movement will take hold of the American people, it will take hold of the Negroes of America, and that the Negroes will be peacefully—not forcibly but peacefully and willingly—repatriated to the land of their fathers, and that the Negroes who have been brought from cannibalism and savagery to the status of educatiorr and have had engrafted into them and upon them the white man's civilization and culture can return to the land of their fathers, and there be the instruments, in the hands of God Almighty, in the final salvation and Christianizing and civilizing of the African race in Africa.

Within a decade an able American Negro—Paul Cuffe—succeeded in doing what President Jefferson had failed in doing.

Jefferson tried to make deals with the Sierra Leone British Co. for a place for the Negroes, but he failed. This Negro, however, Paul Cuffe—

Obtained the consent of Sierra Leone to a program for reception of American free Negroes. Paul Cuffe was a native of Massachusetts. He was the son of Cuffe Slocum, a slave who by industry had purchased freedom. Because it pertained to former slave status, the surname "Slocum" was abandoned. When Paul had become adult he was described as tall, well formed, and athletic; a man of remarkable dignity, tact, and piety.

At the age of 16 Paul Cuffe was a sailor on a whaling vessel. He was captured by the British and held prisoner for some months. He studied arithmetic and navigation. When he was 21, he and his brother John contested the legality of denying suffrage to colored citizens who paid taxes and shortly afterwards Negroes acquired legal rights and privileges in Massachusetts.

That was away back yonder before the Civil War, before the adoption of the fourteenth and fifteenth amendments.

When he was 34 years old he built a public schoolhouse and employed a teacher. He became captain of his own vessel, acquired other vessels, and at the age of 47 owned one ship, two brigs, several smaller boats, beside property in houses and lands. He early became interested in Negro repatriation and in 1811, with a crew of Negro seamen, sailed to Sierra Leone and made arrangements there for the reception of Negro emigrants from the United States. The second war with Great Britain intervened and it was not until 1815 that he could begin his plan. In that year, at his own expense, he carried a shipload of emigrants, free Negroes, from Massachusetts to Sierra Leone. He died in 1817,

the year in which white Americans decided upon a plan to assist Negro repatriation.

In the General Assembly of Virginia, 1777, a committee of which Thomas Jefferson was chairman, reported favorably on a measure for the emancipation and colonization of Virginia slaves.

Virginia was one of the Southern States that seceded, yet there were a great many people in the slave States who did not believe in slavery and who were just as much opposed to slavery as were Garrison, Harriet Beecher Stowe, John Brown, or any of the other great abolitionists of the Nation. I do not hesitate to say that my father was bitterly opposed to slavery; he was a soldier in the Confederate Army; he followed the South; like Lee and others, who, possibly, did not believe in secession, he followed his State and was a soldier in the Confederate Army. Yet he never believed in slavery, but always condemned it.

Its term required the acquisition of territory and a plan for gradual colonization, sending out young men at the age of 21, young women at the age of 18. It was proposed to establish and sustain them until the colony had acquired strength.

And that is what I am proposing, that, in our attempt to repatriate the Negroes, the Government shall not only pay the expense of transporting and colonizing them but shall sustain and oversee them and be a father to the repatriated, colonized Negroes until they are ready to carry on as an independent republic of their own, just as we have been a father to the Cubans, as we have been a father to the Filipinos.

After the War for Independence several of the States emancipated their slaves and a number of leading white men in these States sought to promote a colonization movement to repatriate the freedmen. Before definite measures could be effected the French Revolution had begun and the world was in discord and uncertainty until Napoleon had fought his last battle at Waterloo in 1815.

With the exile of Napoleon there was a general peace for the first time in 40 years. Immediately we find the friends of Negro repatriation at work. Charles Fenton Mercer, a member of the Virginia House of Delegates, introduced a resolution requesting the President to acquire land for a colony for free Negroes and for slaves who should be made free.

I want you to keep your eye on this man Mercer. He is one of the great Americans.

This memorial was passed by an almost unanimous vote December 1816. Tennessee and Maryland made similar requests. Early in 1817 a group of distinguished citizens gathered in Washington and formed the American Colonization Society. The purpose of the organization was to promote the cause of Negro repatriation. Land would have to be acquired for a colony, and ways and means for its settlement would need to be formulated. The task would be too great for a group of private citizens, but it was believed that the society, if aided by the Federal Government, could begin the repatriation movement, and that thereafter the Federal Government could take over the movement.

When it had set forth its purpose of Negro repatriation, the American Colonization Society enlisted in its ranks probably the most distinguished body of citizens that have ever been enrolled by any organization during our national history. Bushrod Washington was its first president. Francis Scott Key, John Randolph, Thomas Jefferson, James Madison, James Monroe, Charles Fenton Mercer, John Marshall, Andrew Jackson, Daniel Webster, Henry Clay, Abraham Lincoln, and a host of other able Americans, men and women, as members of the society sought to make Negro repatriation a reality.

It is a pity we cannot today get some of these alleged leaders on the Republican side and the Democratic side to join in doing what the rank and file of the Negroes really want done, and that is to repatriate them back in their fatherland.

Rufus King, in the United States Senate, proposed that proceeds from the sale of the public lands, after certain obligations had been paid, be used by the Federal Government in a general scheme of Negro colonization. Madison and Marshall, as private citizens, concurred in the King proposal. But the Federal Government was not to take over the repatriation movement, for in Congress the slave power raised its head and struck at every move that was made to assist the cause of emancipation and colonization of the slaves.

You will recall that in the days just preceding the Civil War—and they were hectic days—as the great leaders of the Nation were laying plans and trying to devise some means of not only emancipating the Negro but colonizing or repatriating him in Africa, the southern Senators and Representatives who were representing the slaveholders of the South were found fighting the movement for repatriation. Today, when we find the southern Senators and southern Representatives pleading for the repatriation of the Negro, the northern Senators are opposed to it, because they are afraid of the Negro's political power, and they need him in their business. There is your picture.

While that condition may exist today, however, I predict that it will not be many years before our northern Senators, Democrats and Republicans, will be joining hands with the southern Democrats in a general white man's movement throughout the Nation to help the Negro go back to his fatherland, because you are going to have trouble. The more and more the Negro becomes amalgamated, and the more he becomes educated, the more trouble he is going to give. If you do not believe that, just wait and see.

Let me digress right here and read you something from Pennsylvania to substantiate just what I have been telling you.

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

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

Mr. BILBO. Yes, sir.

Mr. RUSSELL. Has the Senator stated the place of residence of the 1,000,000 Negroes who, he states, have associated themselves together in an organization requesting that they be repatriated to Africa?

Mr. BILBO. Yes, sir. They are all north of the Mason and Dixon's line. They live in Chicago and other parts of the Midwest.

Mr. RUSSELL. If I correctly understand the Senator, this movement is not being promoted by men who live in the South.

Mr. BILBO. No; they do not know anything about it. They have not had a chance. I made the statement that I believed that the great majority of the Negroes of the South would be glad to join in the "back to Africa" movement.

Mr. RUSSELL. So, if I correctly understand the Senator, this is a wholly voluntary movement, and does not contemplate any force or persuasion other than argument and demonstration of the fine possibilities for colonists in this section of Africa adjacent to Liberia?

Mr. BILBO. The Senator is correct. I have never advocated the use of force or intimated any such thing; and these persons whose names are already on the petition, who say they have made arrangements to go and are ready to move, are persons who live north of the Mason and Dixon's line. The Negroes of the South, where we have 8,000,000 out of the 12,000,000, have not had a chance to join the movement; but I think I can speak for the great majority of them when I say that they will be glad to go unless they are influenced by some of these highbrows who do not want to go. They are afraid to go.

I just want to show you what is taking place in Pennsylvania right now as a result of the white man's desire to control the Negro vote politically. I received a letter, reading as follows:

You have it right. The Guffey-Earle government in Pennsylvania and the Kelley government in Philadelphia have curried favor with the colored people until now it is unsafe to walk on the streets at night if you are white.

We have nigger cops, postmen, magistrates, and judges who like nothing better than impose on white folks. They get away with murder.

The white people are puzzled and afraid.

This is over in Pennsylvania.

The law no longer protects. Have a colored criminal arrested, and the police discharge him. A Democratic division or ward leader is always on hand to see that the nigger gets the best of it.

Preference and laxity in the courts have become notorious where colored defendants are concerned.

Senator, you ought to see how Federal relief money is thrown away on these nigger friends. * * *

Candor demands that the blame for the start of this crime in Pennsylvania must be placed at the door of the G. O. P.

That is, the Republican Party. You see, this is not a Republican writing this letter. He says:

Candor demands that the blame for the start of this crime in Pennsylvania must be placed at the door of the G. O. P.

Beginning 30 years ago, Republican ward leaders in Philadelphia started to colonize nigger families and roomers in houses along the borders of many of the wards here. The purpose was to use these fellows for repeaters at election time, plus any other skulduggery they could be used for.

These colonies gained great growth right after the World War, and since have further been encouraged by Messrs. Guffey et al., only now they vote Democratic instead of Republican.

The Democrats have them.

Partly it is God's just punishment to our white people here for not putting a check on this thing when it was first recognized. However, sympathy for the colored folks, especially hard-working colored women, prevented direct action by the whites.

Scores of thousands of Negro women and minors are working, at least part time, in Philadelphia and elsewhere in Pennsylvania, and their families at the same time are drawing relief money.

The Government recently sent out a post-card canvass to the citizens, asking report on those employed in domestic work, etc.

Many white families either didn't report or lied in order to serve the interests (as they thought) of the women and minors (mostly colored) doing housework in white homes. This prevents the authorities from purging the relief rolls, of course.

Senator, it is like a breath of fresh air to us here, to have you come out as you did.

We don't want to oppress colored folks, or Jews, or others, but we expect them to obey the laws and do their rightful part to support our Government.

We don't want our Congressmen to support any legislation that would be harmful in the South, or would help to make more bitter the problem you always have had with the colored population.

We here in Pennsylvania know well enough that you folks in the South know a lot better than anybody else how to run your own affairs.

Thank God for one honest expression.

We only wish you representatives of the Southern States would form a commission to come up here to Philadelphia and New York City and offer advice to our authorities on how to handle the Negro problem, both for our benefit as white citizens, and also to prevent the Negroes from being used and misled by—

Certain elements. There is more of this. It gets worse the farther you go.

That letter merely shows you what happens when amalgamation is endorsed, and the mixing and interbreeding of the races are winked at, and civil rights are granted the Negro.

I shall return to read the steps taken to repatriate the Negroes of this country. I want to get this before the country.

When Congress would not grant aid, and the repatriationists themselves were without strength to acquire and colonize a territory, it seemed that the cause was a hopeless one. But it was not hopeless. Charles Fenton Mercer, who had sponsored the Virginia memorial which requested the President to acquire land for a Negro colony, had been elected to Congress. He was known as an able man. He now was to prove that he was a great man, possessed of political genius in dealing with his own race, and a humanitarian spirit which was to stamp him as a foremost benefactor of the Negro race. Mercer moved by indirection and involved the Federal Government in the acquisition of land and the transportation of colonists.

The importation of slaves was illegal, but they were being "bootlegged" into the United States. Mercer struck at this traffic. In the Anti-Slave-Trade Act of March 3, 1819, initiated and aided through Congress by Mercer in such manner as to secure the unanimous support of that body, an appropriation of funds was made to return to Africa, slaves illegally brought into the United States.

The slave trade was outlawed in 1808.

When the time came to execute the provisions of this act Mercer is found advancing to President Monroe the plausible theory that if the unfortunate captives should be returned to the coast of Africa and released there they would probably be reinslaved and possibly some of them returned again to the United States.

Our Yankee friends were then in the slave-trade business.

President Monroe was in full sympathy with the colonizationists. He determined to obtain land on the west coast of Africa where slaves illegally imported into the United States could be placed and cared for by the Federal Government. In cooperation with the Colonization Society, he sent out agents to acquire territory and sent out American free Negroes to aid in its administration. This was the initial step in obtaining the land now known as Liberia, the capital of which—Monrovia—was named for President Monroe.

The act of 1819, however, was merely the beginning of Mercer's work in opposition to the slave trade and in behalf of Negro repatriation. In 1820 he succeeded in having citizens of the United States who engaged in the slave trade adjudged pirates, who, "on conviction, shall suffer death." In 1823 he submitted a resolution, which was passed:

"*Resolved*, That the President of the United States be requested to enter upon and prosecute from time to time such negotiations with the several maritime powers of Europe and America as he may deem expedient for the effectual abolition of the African slave trade and its ultimate denunciation as piracy under the laws of nations, by consent of the civilized world."

In his resolution of 1824, which was passed, the President was requested to lay before the House the result of his correspondence with other nations "relative to the denunciation of the African slave trade as piracy." In 1830 Congress published a volume of 293 pages (Rept. No. 348) dealing almost excusively with Mercer's official efforts for the promotion of Negro repatriation and the suppression of the African slave trade. It is probable that his subsequent efforts were equally as great.

Mercer led three great movements, any one of which should give him a high place in American history. There is no portion of the African Continent now under political control of Negro people save that portion reserved for them principally through the labor of Mercer. The colonists who established a Negro republic were aided by many white men, but their chief indebtedness is to Mercer. And when the slave trade, the age-long agony of Africa, had ceased, no one more than Charles Fenton Mercer had influenced its suppression.

Mercer had been supported and protected by the great men of his day, but he was younger than most of them, and when his efforts had brought upon him the wrath of the growing slave power, he stood alone. The records of his great achievements were submerged beneath the rising tide of pro-slavery oratory, sermons, editorials, laws, and literature. But Negro students are showing an interest in Mercer's labors, and it may be that a Negro historian will reveal him as a benefactor of the Negro race, who served it in such measure as to cause his own race to grow cold in its memory of him.

With the acquisition of territory and the evidence of Negroes volunteering for colonization in far greater numbers than the colonization society could accommodate, there arose high hope that the Negro race could be transplanted to the land of its ancestors if Government assistance could be obtained. In answer to the "State rights" pleas of Federal inability to aid the movement, a far-reaching step was taken by the State of Ohio.

The legislature of that State, through its Governor, communicated to the other States a request that the several Governors submit to their respective legislatures a plan by which the free States, with the consent of the slave States, would enter with them into a scheme for the emancipation and colonization of all slaves. This "Ohio plan" provided that the institution of slavery might continue while repatriation was being effected and that slaves who would not volunteer to take part with their blood brethren in building a nation should not be deemed worthy of freedom.

The epochal effort of the Ohio plan is difficult to ignore, but it is a difficulty which the historian has succeeded in surmounting. The free States acceded to the Ohio plan. The slave States rejected it. Here is the first division between the North and the South on the Negro race question. It was over Negro colonization. The free States were alined in a program which would tend to achieve the ideal of a white race in a white nation, an ideal which was rejected by the slave States.

However much this sectional division over emancipation and colonization of the slaves may have been ignored by the historian, it was not ignored in its day, for the rejection of the Ohio plan led to the rise of the Garrisonian abolitionists. William Lloyd Garrison was a supporter of the American Colonization Society. In Congress the slave power had held that constitutional limitations rendered the Federal Government incapable of effecting Negro, repatriation. It had, however, given evidence of a sympathy with the idea. The result of the proposals revealed the slave States in a true light as supporters of slavery, and as opponents of Negro repatriation on any large scale, for not only had they denied Federal ability to aid the cause, they had refused State's cooperation which would effect the same purpose.

Garrison turned upon the Colonization Society—

This is where William Lloyd Garrison got in his dirty work—

Garrison turned upon the Colonization Society and characterized it as being merely an instrument of the slave power for removing troublesome free Negroes from the presence of the slaves, with the intention of perfecting the subjection of the hapless Africans who were not free. The general plan of the society was to colonize "Those who were free, and those who should be made free." The latter provision drew forth the frenzied ire of the slave power. It accused the society of being an instrument of the Garrisonian abolitionists. The sustained attacks upon the colonization movement by Garrison and the slave power would have obliterated it had it not been supported by men of great eminence, for Garrison and the slave power had the ears of the Nation. Reputedly they were arch enemies, but in reality they had much in common. Both opposed colonization of the Negro. Both sought to destroy the Union. Garrison, at least in theory, advocated amalgamation of the races. The slave power opposed amalgamation as a theory, but some of the slave owners seem to have practiced it.

I call attention now to a book which is being read by more Negroes than is any other book in the United States. The title of the book is "Brown America—The Story of a New Race." It is by Edwin R. Embree. The book was copyrighted in 1931. Let me read the titles of the chapters, and Senators will get an idea of what it is all about:

The New Race.
Peregrinations.
Keeping Alive the New Environment.
Learning the New Civilization.
Making a Living.
Brown Ballots.
Odds Against the Nigger.
Soil and Soul.
A Few Portraits.

This book is being read today as religiously and as universally by the educated Negro citizen of this country as the Christians ever read the Bible or the Chinese ever read the Book of Confucius. This is the Negro bible right now, because the author of the book, Mr. Embree, advances the theory, the idea, the scheme, the dream, that by the amalgamation of the Negroes and the whites, which he admits is taking place, there will be created in the United States a new race, which will take the place of the black race and will take the place of the white race. This new race will be a brown race; in other words, that after a while all the inhabitants of this country will be "high brown," octoroons, quadroons, mulattoes, mongrel. The author says that upon the civilization, the culture, advancement, inventions, and achievements in music, art, and literature of the Caucasian white race of America, with what the Negro has contributed to it, this brown race, the "high browns," will build a still greater civilization, and that this country will never reach the glorious heights to which it is destined until the whites have been wiped out and the blacks have been wiped out and all the inhabitants of the country become "high browns" in the new race, the new civilization for America.

And oh, how those Negroes are eating this book up. Go into some of the Government Departments, where one will find Negroes occupying sinecure jobs as messenger boys, as elevator operators, and so forth—in one of the Departments one can find nothing but Negroes—and on the desk of nearly every Negro will be found a copy of Brown America. All of them are reading it. They believe in it and they see in it the new race, the new day, the new civilization that shall outshine and be more glorious than any civilization that may be built by the inventive genius of the Caucasians, who have given to America this splendid civilization of ours.

Mr. President, I will admit that our civilization is not yet ideal. We are still in a way barbarians, we are not yet completely civilized, but our civilization is about as good a civilization as will be found anywhere in the world. I believe that if the Caucasian bloodstream is kept pure, and we are permitted to struggle on to higher ideals, the American people, the Caucasians, if there be no amalgamation with the colored races, will yet give to the world the highest type of civilization. I believe that the fondest dreams of those who dare to dream of what is possible of accomplishment in the uplift of the Caucasian here in America will be realized to their fullness.

The politicians who have been preaching civil rights for the Negroes and who have been endorsing intermarriage, and even permitting it, and who refuse to stop it, who encourage social contacts of whites with the Negroes, mixing up with them, ought to read this book "Brown America," because they will find that they are doing their part toward bringing about the "high brown" race that is going to be, in the opinion of most mulattoes the "great race" of America in the future. Such politicians are parties to that movement. They ought to read the book as the Negroes are reading it. Those politicians are having as much to do in bringing about this hoped for condition as the Negroes are. What the book says is true in some respects. If we do not bring about the repatriation of the Negroes and the separation of the two races, I care not what is said about it or what is thought about it, there will take place in America what the author of the book predicts, complete amalgamation, and authentic history of 10,000 years proves that he is right. It will not take place in 300 years, nor will it take place in a thousand years, or perhaps 2,000 or 3,000 years, but eventually it will take place.

In the old days the Egyptians had a wonderful civilization. They moved on step by step to great heights for 3,000 years. During those 3,000 years there came, however, the hordes of the Nubians from the upper stretches of the Nile and flooded Egypt. What was the result? At the end of 3,000 years complete decay set in, there was a perfect stagnation of the Egyptian culture and civilization, and the Egyptians went to the bottom, and although white men from England, from France, from Persia, from Syria and other parts of the world have attempted to graft their culture onto this decayed civilization of Egypt, yet all they have put into Egypt has been like dropping something in a bog—it has been swallowed up in the bog of mongrel civilization which is to be found in Egypt as the result of amalgamation of the white with the colored race.

I shall now go on with the story of repatriation in this country. I want the country to understand it. I want everyone to know what has been done along this line.

Garrison and the slave power limited the activities of the Colonization Society, but they could not destroy the society. Some 12,000 emigrants were established in Liberia. The Civil War merely suspended its operations. Important movements to Liberia continued after the Civil War. It was the reconstruction era which devitalized the society as an agency for Negro repatriation. In 1870—

That was just before Mississippi elected the Negro Senator—

In 1870, though emigrants were sent to Liberia, we find agents of the society reporting to the parent organization that reconstruction politicians were everywhere among the Negroes urging them to abandon the idea of a Negro nation, and prepare instead to take over the land of their late masters.

That is what broke up the repatriation society that was organized under the leadership of Mercer and Thomas Jefferson, the great men before the Civil War, and was fostered and encouraged by great men, including Abraham Lincoln and President Grant after the Civil War. It was the carpetbaggers in reconstruction days who took the Negroes' minds away from it and held them away from it, who held out greater things to them in America, just as the politicians now hold out greater things to the Negroes during political campaigns. We shall hear some of them this summer, as soon as Congress adjourns and they get back home. We shall hear them say: "Oh, what I did for the Negro, and what I am going to do for the Negro!" And the Negroes, some of them, are so childlike in mind that they actually believe that these Senators and Representatives have actually been doing something for them. No one has done anything for the Negro except President Roosevelt, who has given them the W. P. A.

That is about all that has been done for them.

The American Colonization Society has maintained its charter and has a complement of officials. When it relinquished control of Liberia to the American Negroes and their children residing there, the society retained substantial portions of that country for settlement by future emigrants from the United States.

So there is the land waiting and ready.

It is this land, thus held in trust for emigrants from the United States, which is referred to in the 1936 Virginia memorial to Congress.

I have already read that memorial and put it in the RECORD. In other words, when this society which owned Liberia relinquished its claim and control in 1870, it had these lands dedicated to the settlement of Negroes who might want to go to Liberia.

In 1834, when Garrison and the slave power were well under way in their attack upon those who sought to colonize the Negro, there was born near Abbeyville, S. C., a Negro boy, Henry McNeal Turner, who was destined to be the outstanding advocate of Negro repatriation when the Negro had been made a citizen, and

suffrage could not be denied because of race, color, or previous condition of servitude.

Turner, like Cuffe, was free-born. It is a significant fact that the eminent Negro leaders who encouraged the race to achieve race progress through race nationality, as other races had done, were men who had never been slaves. In most of the slave States it was unlawful to teach a Negro to read or to write. This law could not be completely enforced, for many Negro youths of marked intelligence who were liked by white people were taught to read and write. Young Turner did menial service for certain white lawyers and was not only taught to read and write but taught a fair amount of history and arithmetic. In Baltimore he studied grammar, Latin, Greek, and Hebrew.

Isaiah Montgomery, the outstanding Negro of all time in my State, was a kind of bodyguard and a secretary to President Jefferson Davis of the Confederacy. He wrote a beautiful hand and was a very smart Negro. In an attempt to segregate his own race he established in my State a town in Bolivar County, Miss., known as Mound Bayou, where no white man lives. There are only Negroes in this town. Isaiah Montgomery had practical sense about the relationship that should exist between the white man and the Negro in the South, and he had good sense about whether or not the Negro was qualified to vote, because he, as the leader of the Negroes in Mississippi, was a member of the constitutional convention of 1890 in my State, and made a famous speech in which he objected to giving to the Negro the right to vote in the State.

Turner—

The South Carolina Negro—

Turner entered the ministry and after some years became a bishop in the African Methodist Episcopal Church, an all Negro organization. In Washington he attracted the attention of President Lincoln who appointed him Army chaplain for the first colored troops used in the Union Army. When the war was over he was sent with the reconstruction forces into Georgia, but resigned his commission in order to build up his church. He continued in politics. He was a delegate to the Georgia Constitutional Convention in 1867, and was a member of the State legislature for Bibb County. In 1869 he was appointed postmaster of Macon through the influence of Senator Charles Sumner, but relinquished the position in deference to opposition of white people to the appointment. In the church he was made manager of its book concern, became bishop of Georgia, and for 12 years was chancellor of the Negro school which is now Morris Brown University, in Atlanta. During his official visits to Africa he introduced Methodism there, and became a stanch advocate of Negro repatriation.

Bishop Turner is described as being very tall, with powerful frame and massive head. Like Paul Cuffe, he had a commanding personality. When we consider the personality and the achievements of these two eminent Negroes we are aware that they were not ordinary individuals but capable men who boldly proposed that the Negro in America cut loose from his moorings and voyage to a land and a government of his own.

All the really great intellectual Negroes favor repatriation. We have a few surface mulattoes who cannot see far enough ahead to know what is best for their own race.

Bishop Turner knew that the race problem was more than a problem of slavery and that it would continue as long as white women bred white children and Negro women bred Negro children. He held that the Negro would more likely obtain 400 acres of land and a hippopotamus in Africa than obtain the promised 40 acres of land and a mule in America.

The carpetbaggers who went South in the reconstruction days obtained the vote of the Negro by promising him 40 acres of his former master's plantation and a mule. If they found a particularly difficult case, they would supplement it with the promise of a red wagon to go with the mule. That is the way the carpetbaggers voted the Negroes in reconstruction days. That is why we had a Negro named Bruce here as a United States Senator. That is why we had a Negro legislature in Mississippi. That is why we had a Negro superintendent of education and a Negro Lieutenant Governor in my State. They got the vote of the Negro by this and other methods.

Now, instead of giving them 40 acres of land and a mule, we give them civil rights. We allow them to swim in the swimming pool with our white women. We allow them to eat in the same restaurants and cafes. We allow them to sleep in the same hotels. We give them all the social rights, instead of the 40 acres and the mule. That is what is done in the North. We have not yet got to it in the South. It will be some time before we do. Gabriel will "toot his tooter" before we do.

When told that the Negro, if he remained here, could profit by the achievements of the whites and there was no need for racial and national independence, he held that freedom for racial initiative was a prerequisite for racial progress, and that in this respect the Negro would be better off in hell than in the United States.

That was Bishop Turner. I think I had better read that again.

When told that the Negro, if he remained here, could profit by the achievements of the whites and there was no need for racial and national independence, he held that freedom for racial initiative was a prerequisite for racial progress, and that in this respect the Negro would be better off in hell than in the United States.

Bishop Turner was one of the great representatives of the Negro race.

Cuffe had not witnessed organized opposition to Negro repatriation. The life span of Turner, however, covered the development of organized opposition. Daniel Webster proclaimed, in the Senate, that he would be disposed to favor the appropriation of almost any sum of money for Negro repatriation if a southern Senator would bring forth a measure to effect it. But the slave power was adamant. Turner also witnessed the complete reversal of the splendid northern position held for a half a century. The slave power held the Negro for his labor.

We do not deny that.

The Garrisonians had long promised the Negro's vote to the politicians who could free them and confer suffrage upon them. Turner saw the complete triumph of the Garrisonians, but an incomplete triumph for the Negro, in his opinion, for when he had become an old man he wrote to W. P. Pickett, who was preparing a publication, The Negro Problem—Abraham Lincoln's Solution, the following letter, January 12, 1907: "* * * I pray God that you will continue in the great work in which you are engaged, and move this country to help the Negro to emigrate to the land of his ancestors."

That is what took place in the mind of this great leader of the North. Before I get through, in the next 28 days, I am going to show what Francis Adams said when he was converted.

This is what Bishop Turner says about Africa:

I know all about Africa. I have been from one end of it to the other. I have visited that continent as often as I have fingers upon my hand, and it is one of the richest continents under heaven in natural resources. This country is not compared to it, and millions of colored people in this country want to go. But to pay our way to New York, then to Liverpool, and then to Africa is too much for the little wages the white people pay to our workers. Give us a line of steamers from Savannah, Ga.; Charleston, S. C.; Pensacola, Fla.; or New Orleans, La., and let us pay as much as the million or more white immigrants pay coming from Liverpool, London, and Hamburg to this country, and the Negro will leave by thousands and by tens of thousands—yes, by millions * * *.

As I said once before, in the 10 years preceding the World War immigrants came to this country from all over Europe, especially from southern Europe. Some of them were undesirable. If we had carried back to Africa as many Negroes as we brought foreigners into this country, we would not have a Negro in America today.

Let us return to the colonizationists' struggle with the slave power and with Garrison. The closing phase of the struggle was marked by the rise of the greatest of the colonizationists—Abraham Lincoln—to the exalted position of President of the United States. For many years Garrison's Liberator had carried "No union with slave owners" as a motto on its front page. Garrison had oftimes declared that nothing could bend his will, but, under the leveled gaze of Abraham Lincoln Garrison recoiled and future issues of the Liberator were singularly free from proposals to abolish the Union. The other advocate of disunion was not easily suppressed. The President believed that the forces which had proclaimed a dissolution of the Union had been rallied by and were rallying around the slave power. The slave power sought to destroy the Union. It was a fitting thing, then, that the Union should destroy the slave power.

That is why Lincoln issued his Emancipation Proclamation as a war measure.

The emancipation proclamation states that the effort to colonize persons of African descent, with their consent, would be continued. It will be found that the Executive efforts which were to be continued had been directed toward obtaining land upon which Negro emigrants might settle; devising plans for compensated emancipation of the slaves; obtaining an appropriation from Congress with which to begin colonization; and an official request to

Congress for a constitutional amendment to sustain a colonization program.

Abraham Lincoln went that far with it. He first wanted to pay the slave owners of the South for the Negroes; and then, when he was finally forced to do so, as he believed, as a war measure, he emancipated them; but through it all Abraham Lincoln was trying, by means of a constitutional amendment, to force Congress to provide the funds and the means to bring about this repatriation of the Negro.

When the President considered voluntary emancipation of the slaves he at the same time proposed their colonization. When he proposed compensated emancipation of the slaves he proposed their colonization. When he proclaimed their forceful emancipation he promised their colonization, and in keeping with the promise he submitted certain definite colonization plans to Congress. Wherever there is found a proposal for the solving of the slavery phase of the race problem there will be found a supplementary proposal for the solution of the problem in its entirety.

The executive efforts with regard to Negro colonization were not measures for the preservation of the Union. Emancipation was a war measure, but colonization was to be a post-war measure, by its nature contingent upon maintenance of the Union. Racial separation is a concept which extends beyond politics into the realm of race.

The President had not suddenly jumped to conclusions with regard to racial separation. In the years of his public life, which were the background of his Executive decisions, there is found a clear view of his philosophy of the race problem. A race problem, produced by contact of races, was a problem that could not be solved except through the separation of the races or by their blood amalgamation. Racial separation is not a necessity. It is a possible choice between the alternatives. Its execution would be a Herculean task. No capable mind would propose such a task without having considered the issues involved in holding the races together. For many years "separation" had been Mr. Lincoln's choice between the alternatives. The slave power had stood between the Nation and the choice of "separation." The Emancipation Proclamation was an instrument designed to destroy the slave power, and was a fit instrument to bring forward the concept of racial separation, though its attainment would be a post-war program.

The racial philosophy of Abraham Lincoln differs little, if any, from that of Thomas Jefferson. Each weighed the "alternatives" and each chose separation. They considered the issues involved in holding the races together. Mr. Jefferson said: "Nothing is more certainly written in the book of fate than that these people are to be free: nor is it less certain that the two races, equally free, cannot live in the same government." He declared that he wished for the Negroes the full liberties of men, but in a country of their own and in a climate congenial to them.

Shortly before his election to the Presidency, Mr. Lincoln went into more detail in this respect. In a Douglas-Lincoln debate, Senator Douglas had said, "For one I am opposed to Negro citizenship in any and every form. I believe this Government was made by white men, for the benefit of white men and their posterity forever." To these sentiments Mr. Lincoln replied, "I will say, then, that I am not, nor ever have been, in favor of bringing about in any way the social and political equality of the white and black races—that I am not, nor ever have been, in favor of making voters or jurors of Negroes, nor of qualifying them to hold office, nor to intermarry with white people, and I will say in addition to this that there is a physical difference between the white and black races which I believe will forever forbid the two races living together on terms of social and political equality."

Those were the ripe convictions of a matured brain just before Lincoln was elected to the Presidency. The fourteenth amendment and social equality and political equality that we have now in this country were brought about as the result of a war-crazy atmosphere immediately after the war. After Lincoln was assassinated, and was out of the way, then Andrew Johnson appeared on the scene as President, and when Johnson refused to go along with crazy, mad leaders, such as Thaddeus Stevens, Charles Sumner, and others of the kind, they proceeded to impeach Johnson and, as I recall, there was just one vote lacking on the floor of the Senate to bring about his conviction.

Why was it sought to impeach Andrew Johnson? Because Johnson believed as Abraham Lincoln believed; he approved the philosophy of treating the Negro as Abraham Lincoln proposed, and it was desired to get rid of him. His enemies did weaken his power, and then proceeded to pass the unthinkable measures of reconstruction and to adopt the fourteenth and fifteenth amendments. Every thinking, intellectual man of the North and South knows that those measures were mistakes in those days.

Thus we see the background of the mental processes which led the President to include a plan of Negro colonization in the emancipation proclamation. The views of the President, however, and the similar positions held by Mr. Jefferson, and by Mr. Douglas, on this matter, were not views peculiar to these men but were similar to those held by other eminent statesmen from the foundation of the Republic until the triumph of the Garrisonian abolitionists. Had any of the previous Presidents had the power, and the will, to free the slaves, it is improbable that the concept of racial separation would have been omitted from the document ordaining freedom. The ideal of emancipation and colonization may be said to have been a national ideal, not opposed save by the limited number who owned slaves, and by a lesser number, probably, who had continued in support of Garrison.

There could be no better preface for President Lincoln's executive acts than his precise statement in a debate with Senator Douglas: "Such separation, if effected at all, must be effected by colonization; and no political party as such is now doing anything directly for colonization. Party operations at present only favor or retard colonization incidentally. * * * What colonization most needs is a hearty will. * * * Let us be brought to believe that it is morally right, and at the same time favorable to, or at least not against, our interests to transfer the African to his native clime, and we shall find a way to do it, however great the task may be." It was in this speech that Mr. Lincoln declared that separation of the races was the only "perfect way" to prevent amalgamation of the races, thus placing opponents of separation in the position of not desiring a "perfect way" to prevent amalgamation.

Today it is not a difficult nor an impossible task to bring about the repatriation of the Negro. There are only 12,000,000 Negroes in this country out of a population of 130,000,000. The majority of the Negroes want to go. The United States is abundantly able to provide means with which to pay the Negroes of America for all the property they own; it is abundantly able to provide all the land that is requisite in one of the most wonderful and fertile countries in the world, a beautiful country, with ideal climate suited to the Negro and his nature. In that country the Negroes can get all the land they need. There is nothing impossible about the suggestion.

Of course, there are obstructionists here and there, but why should not the white man of America give his all in all to bring about this one great objective? If he is intelligent, I am inclined to think he will look favorably on the proposition, because if he is intelligent he knows that, so far as his race is concerned, so far as his civilization is concerned, and so far as this country is concerned, it is headed for the rocks; it is headed for amalgamation; it is headed for the brown race; it is headed for a mongrel race; it is headed for a downfall and a leveling down and a dragging down of our civilization, as every civilization of the white man everywhere in the history of the world has been dragged down when amalgamation has taken place between the whites and the blacks.

If that be true, then, why is not every intelligent white man willing to accept the repatriation proposal; and why is not every intelligent Negro willing to accept it? The Negro knows that he has no place in this country; he knows that, as time moves on and competition between the whites and the blacks becomes keener and keener, the Negro is going to be discriminated against. He knows that he is discriminated against now; he is discriminated against in the North and the South alike. The Negro knows he does not get an equal chance. Here and there, once in awhile, come negrophilist will obtain office and appoint a Negro to a fairly decent job, but it will not be long until he will be booted out for a white man. The Negroes have got to take the lower position in the economic and industrial life everywhere. The Negro, knowing that, and also knowing that a benign government would be willing to furnish the money and provide the land and the means of transportation to his own fatherland, where he could work out his own salvation, where there would be no discrimination, and where his children would have an opportunity to obtain the things which they dream about in this country but which they will never attain, should not object. Why he should object, I cannot understand, and I prophesy the time is coming when the Negroes who are now abusing me through the press and in unsigned letters will realize that I am their best friend on the floor of the Senate, because I have advocated the solution of the troubles which they now have and the greater troubles which they are going to encounter in the future. The time-serving politicians who

promise them so many things will not get them anywhere. They have not gotten them anywhere so far.

Compelled to use military forces to maintain the Union, the General Government was soon in possession of Negroes liberated from persons in arms against the Union. President Lincoln acted in keeping with his race ideals, and with his conception that Negro repatriation was properly a concern for a political party, and properly a function for the Federal Government. In his first annual message he referred to this class of liberated Negroes and proposed that Congress consider colonizing them "at some place or places in a climate congenial to them. * * * If it be said that the only legitimate object of acquiring territory is to furnish homes for white men, this measure effects that object, for the emigration of colored men leaves additional room for white men remaining or coming here."

In other words, as the president of this "back to Africa" movement, backed by more than a million Negroes of the Middle West, has said, if repatriation could be carried out it would solve our unemployment troubles over night, and there would be a white man or a white woman or a white boy or a white girl waiting to take every place vacated by a Negro who had been repatriated to his fatherland. Of course today, under our system of caste, there are certain jobs that white men do not want, because they say those are Negroes' jobs. That is discrimination against the Negro. But if the Negro was repatriated to his fatherland, then there would not be that objection on the part of the white man and the white woman, when it was necessary in order to make a living, to taking any job for which they would be competent and by which they could render service.

President Lincoln knew that southern economy was based on cheap Negro labor, and white men's labor made cheap through competition with Negro labor.

You see, we had that trouble here in the fight for the wage and hour bill. We had some few folks from the South fighting the wage and hour bill. They were afraid that the scale of wages would be so lifted among the lower brackets in the South that they would not be permitted longer to capitalize and to profiteer and to racketeer upon the cheap labor of the Negro. As a result of that, the poor white laborer of the South has had his wage scale dragged down, because it is possible to get the Negro for a low wage.

I am one of the 15 Senators from the South who voted for the wage and hour bill. There were only nine Southern Senators who voted against it on the floor of the Senate. I favored it because it was a "lick" in the right direction. It was an effort to raise the wage of the laboring man in the lower brackets, whether he be a white man or a black man. I do not believe in slavery in any form, although you may have it, and you have it in some sections of the country.

(At this point Mr. BILBO yielded to Mr. JOHNSON of California, who submitted a resolution which appears elsewhere in today's RECORD under the appropriate heading.)

Mr. BILBO. Mr. President, it afforded me very great pleasure to yield to the Senator from California to submit his resolution. I am rather glad he submitted it at this time, because I desire to talk about it before I get through in the next 28 days.

As I was saying:

President Lincoln knew that southern economy was based on cheap Negro labor and white men's labor made cheap through competition with Negro labor. He was of Anglo-Saxon descent, born in the South. He knew that the "upper class" southerners, so-called, while boasting of Saxon blood, for the first time in Saxon history were maintaining an economy under which the poor of the race were compelled to compete against the lowly and helpless Negro in order to get food for their children. Again, in his second annual message, he refers to the competition of the races:

"Reduce the supply of black labor by colonizing the black laborer out of the country, and by precisely so much you increase the demand for, and wages of, white labor."

That is one reason why I am trying to enlist the support of the leaders of both whites and blacks in this country to my proposition of repatriation. I should like to call upon all of these preachers throughout the Nation, and these school teachers and editorial writers, to give some consideration to the advantages and advisability of repatriation of the Negro, and join me in the demand that steps be taken to bring about this great dream of making secure the white bloodstream of the Anglo-Saxon throughout all the ages to come.

The question of what classes of Negroes would be entitled to Government assistance in the President's scheme of colonization is easily settled—his plans included all classes. There were three classes—free Negroes, slaves held by loyal citizens, and slaves held by persons in arms against the General Government. July 12, 1862, the President assembled Members of Congress from the border States and told them he favored compensated emancipation and colonization. August 14 he assembled free Negroes in the White House, urged colonization upon them, and asked for volunteers. September 22 he issued the Emancipation Proclamation, which would affect slaves held by citizens in arms against the Union; and more than half of that document, prior to announcing freedom for the slaves, is given to the question of Negro colonization.

When you get back home you ought to take up Abraham Lincoln's Emancipation Proclamation and read it and analyze it. You will find a lot of food for thought in it.

The boldness of Abraham Lincoln's spirit and the comprehensiveness of his plans would justify our statement above that he is the greatest of the colonizationists. A distinguished British Jew, Lord Melchett, considered the application of the "selective age" principle to the colonization of Polish Jews to relieve the race pressure in that country. Discussing the effect of transferring vigorous youths, he said:

"Careful statistical inquiry shows that the effect on the future numerical strength of a given population, if all persons of the age group are removed annually, is very striking. The effect of such a transference would be to nearly halve the original population in 20 years, and in about 40 years to reduce it to about 14 percent of its former size."

Those are some very interesting statistics which have been worked out. In other words, if we should repatriate the young Negroes—the males at 21 and the females at 18—over a period of 20 years, by that time half of the race would be repatriated by just letting these young ones go and start their homes and colonizing them in this black country; and in 40 years they would all be gone but about 14 percent. That is a wonderful picture. It shows you what can be accomplished.

President Lincoln knew that a race could be transferred by removing only a portion of its members, and so did Thomas Jefferson, for the latter proposed that the selective-age group be composed of males of the age of 21, females of the age of 18. The effect of this method would be that the increase of the race would tend to be in its new home, its decrease be in its old home.

In other words, the population in the Republic of Liberia would increase, while the population of the Negroes here would decrease, in such a ratio that in 40 years there would be only 14 percent of the Negroes left in this country, and it would not be necessary to disturb any of the old-time "mammies" and "daddies" of the Negro race, but let these young ones who are ambitious go on and help settle up their new country.

The tragic death of President Lincoln gave opportunity for men of lesser mold to suppress the Negro repatriation movement in the North, just as the slave power in the South had brought to naught the initial repatriation movement which had been set in motion by the most eminent statesmen that the South had produced. There is ample evidence that these little men in both North and South were actuated by prospects of personal gain, and that their unwillingness to give the Negro a nation of his own was not unrelated to their plan to retain the Negro here and use him for their own peculiar advantage.

That strikes me as something that ought to impress the Negro more than anything else—that in the case of these people who, as public men, as preachers, as teachers, as newspapermen, and as editors of newspapers, are not willing to take the lead in repatriation of the Negro, there is a sure-enough "nigger in the wood pile." The reason they will not do it might be because they are afraid it will hurt their business. I can readily understand some of these ephemeral politicians and officeholders who do not want to step out in the open, because they are afraid they might antagonize a few votes, and jeopardize the prospect of their return to one of these easy seats at $10,000 a year per. I can understand all that; and it strikes me that the Negro, if he thinks he is smart at all, ought to be smart enough to know that the reason these folks who ought to be taking the lead in trying to save the white race and trying to help the black race do not take hold of the problem, the reason why they do not step

out in the open, is because they want the Negro for his own personal gain and personal use here in this country.

Oh, yes, we would all regret to lose our Negro servants. I have one who has been with me for 7 or 8 years. He is a college graduate, a "high brown." He has lots of white in him. He is a wonderful servant, a loyal servant, and faithful, and I think a great deal of him. But I know that he and his kind will be servants as long as they live in this country, and I know it would be better for this man if he would go to Africa, to a new country, with a young wife, and there build his own home, in a land where he would be free, in a land where a white man could not go, because the Negroes saw to it when they established the Republic of Liberia in 1847 that no one could vote in that country unless he had Negro blood in him. They were not taking any chances with the white man any longer.

I read further:

The conferring of citizenship upon the Negro, however, did not suppress the Negro's desire for independent nationality. As a "citizen" the Negro clamor for separate nationality continues, and its expression exceeds that of the free Negro in the days of slavery.

When the venerable Turner wrote the letter quoted above, there was in Jamaica (British West Indies) a young Negro, Marcus Garvey, who was destined to be the greatest advocate of race progress, race integrity, and race nationality that the Negro race has produced. With good education, Garvey in his youth, brooded over the disadvantages suffered by his race in contrast with other races. Highly endowed with qualities which made him the outstanding champion of Negro race advancement, he organized the Universal Negro Improvement Association. An able publicist, he spoke in terms that interpreted the race's innermost desire for economic progress, blood integrity, and race nationality. With the purpose to unify the Negroes of the New World with those of the old, Garvey's organization became international. It developed into a far-flung empire of sentiment and practical effort. Its memberhhip is said to have reached a total of more than 6,000,000. The writer of this article has personal knowledge that the organization was widespread, for he corresponded with members of it in 26 of the States; in Jamaica, Panama, Honduras, Cuba, Haiti, Santo Domingo, and several other countries, including supporters of the movement in three or four of the political divisions of Africa.

The Garvey movement succeeded in doing well what other Negro repatriation movements had failed to do—it gained the attention of the American press. There was provision for organized hilarity among the Garvey following when their organization met in convention. The American press deals understandingly and leniently with the American Legion's "40 and 8," but the organized buffoonery of the Universal Negro Improvement Association's convention was played up by the press almost to the exclusion of the great ideals of the organization.

They overlooked the real purpose of Garvey's organization in the convention, and played up the ridiculous part of it.

This Negro organization, in a plan to aid Liberia, believed that it had acquired certain rights in that country and sent out a shipment of goods of the value, it is said, of $50,000, when the Liberian end of the agreement was rescinded. It was about this time that other American citizens were more successful in acquiring holdings in Liberia, but the other Americans, not being of Negro descent, could not become citizens of Liberia, nor hold title to its land. This obstacle was overcome by leasing a million acres of Liberian land for a period of 99 years.

Again I call attention to the fact that when the Negro went out and established his republic in Liberia he not only provided that no one could vote in that country unless he had Negro blood in him, but he would not even let the white man own land in that country. He was taking no chances at all.

Garvey had said much about the white man seizing Negro Africa and holding its people in subjection. He foresaw the time when Africa would be ruled by the Africans. In opposing the white occupation of Africa, Garvey was not more intemperate than Bishop Turner had been, but Turner's declaration to the effect that the British would be defeated and driven back to the waters of the Thames, attracted little attention in Europe. Garvey aroused interest there, for a vast concourse of Negroes in the Old World and the new, gave the nod of assent to Garvey's doctrine of Africa for the Africans.

Opposed by many Negro leaders who felt that they were being displaced, particularly by the type of leader who favored amalgamation and not separation as a solution of the race problem; opposed, possibly, also by whites in high places who feared international objection to the doctrine of Africa for the Africans; Garvey, nevertheless, was secure. His enemies were numerous, and some of them powerful, but they could not break his hold on the common people of the Negro race. But Garvey undertook to finance the Black Star Line of steamships to trade among Negro peoples and assist in carrying emigrants to Africa. He was convicted of having used the mails to sell worthless stock in the Black Star Line, stock deemed by a white judge and jury not to have been of immediate or prospective value. This conviction was before the mighty economic collapse known as "the depression" which began in 1929. Garvey had been considered an impractical dreamer, "afflicted with a Messianic complex," from whom the stock purchasing individuals of his race should be protected. Shortly after his conviction much stock issued by "practical" men, not afflicted with a Messianic complex in any form, was as worthless as the stock of the Black Star Line.

So Garvey was not so bad after all.

President Coolidge commuted Garvey's sentence, but Garvey was an alien and was automatically exiled from the United States. His popularity was not greatly reduced by the prison sentence, for his followers generally were in sympathy with the purpose of the Black Star Line. But his imprisonment deprived him of active leadership. His exile from the United States separated him from the largest group of his followers, and the world-wide depression was to work a mighty havoc in the organization's great membership. It continues, however, and is rebuilding a large membership. Its 1937 international convention was held in Toronto, Canada. Efforts will be made to secure a temporary permit for Garvey to reenter the United States which, if successful, will permit the 1938 convention to be held here.

I for one am ready to say that if Garvey will come back to the United States and help lead in organizing the Negroes throughout the United States to join in the repatriation movement, I will be glad to see him come.

As the Universal Negro Improvement Association began to disintegrate—it is said that at the present time its membership does not exceed 100,000—there arose Negro leaders, several of them, who sought to effect a minor program of Negro repatriation. Their particular interest was directed toward securing and developing small concessions in Liberia, or in effecting small settlements on Liberian land, or upon the land in Liberia which is held in trust for American Negro colonists. Garvey had proved to be the greatest of the Negro publicists and the greatest of the Negro organizers. There was now to arise a mighty Negro repatriation movement not dependent upon press publicity. Garvey aided the cause of Negro repatriation, but his organization also carried other concepts of racial uplift. The new movement is confined to a single ideal—to return people of African descent to their motherland, Africa. It was this new movement, a peace movement, which prepared the giant Negro memorial to President Roosevelt, as given above.

Which I have already discussed and inserted in the RECORD.

The leading personage in securing this great petition to the President is a woman, Mrs. M. M. L. Gordon, president of the Peace Movement; an indomitable spirit, making hundreds of speeches, carrying on extensive correspondence, rallying those whose hope is weak, and instilling a rugged enthusiasm for the cause of Negro repatriation. It is safe to say that if any American white woman had obtained so great a memorial for presentation to the President of the United States, for any purpose whatsoever, she would quickly gain the attention of the Nation. But the Negro woman remains nationally unknown. The memorial is wholly the work of Negroes. In its implications it would affect the future of the white race—and the black—as no other measure brought forward since the days of Abraham Lincoln could affect them. In the scant space given in the press to the Negro memorial there was a tendency to treat it lightly. It has, however, been greatly increased in signatures, and the memorialists plan to ask the President to permit a select committee submit to him the enlarged memorial.

For some unknown, hidden reason—selfishness, I presume—afraid they will offend some reader or some subscriber, it is a hard matter to get the press of the country to play up the fact that this Negro woman in Chicago has brought together over a million Negroes in the Middle West—not in the South—who are begging the United States Government and appealing to the Government to provide the ways and means to carry them back to their fatherland. Yet the papers do not carry it. There is a reason.

Paul Cuffe relied upon his personal resources to begin the repatriation movement. Marcus Garvey sought to have Negroes buy their own ships.

Garvey was not waiting on the Government.

Cuffe's purpose was understood and supported by eminent white people. Garvey begged for white understanding and support, but it was not accorded him. Bishop Turner frankly recognized that any effective program of racial repatriation was beyond the power of the American Negro, and he held that the movement should have biracial support, for both races would profit by it.

In other words, the white people of this country should join hands with this Negro woman of Chicago and her or-

ganization, which is paying its own expenses. She does not charge any fee. It is not a racket. She is imbued with the spirit of benefiting both races. The white people of the country should join her and help her to carry on her work, because it is as much to their interest as it is to hers that it shall succeed.

The president of the Peace Movement, her capable advisers, and the signers of the mighty memorial ask for white support on the assumption that the movement would benefit the condition of the whites, particularly white laborers. Lincoln and Clay often used a similar approach—an economic one. But the signers of the memorial show as well a spiritual longing to live among a people of their own kind.

In other words, here is work for the American Federation of Labor and here is work for Brother Lewis and his C. I. O., to join hands with this Negro woman, Gordon, in Chicago and her organization, because no other class of persons in the American set-up ought to be more interested in the repatriation of the Negro than "General" Green and "General" Lewis, heading the American Federation of Labor and the C. I. O. movement, respectively. They should get behind it, because in their struggle with the problem of unemployment here is a solution which will do away with all unemployment. If they want to render real service to the country, and to be far-seeing leaders of their labor organizations they should get behind this movement. Here is a chance for them to step out and be real leaders. I do not know what they will do. No one else knows. However, here is a chance for them to step out into the open and courageously advocate a movement, and if these two great labor organizations and their leaders will get behind it, they can help this "Back to Africa" movement in Chicago, and they will constitute a real force which will begin that movement in America.

I am afraid it might mean the loss of some dues to those organizations. I understand there are some 50,000 Negroes who belong to the American Federation of Labor. I do not know how many Brother Lewis has in his C. I. O. However this may be, they had better join hands with these Negroes in the Midwest, get behind his movement, and put it over for the benefit of their labor organizations.

American Negroes are divided on the question of repatriation as a solution of the race problem. This we know, for some of the Negroes openly advocate amalgamation of the races. The failure of the repatriationists to gain the support of the whites, is held by the amalgamationists to be an evidence that their own preferred solution is to win public approval, and that in no distant future the two races will merge into a mulatto type.

With Garvey exiled and Gordon ignored, the amalgamationists feel secure, but not quite secure, for a recent memorial to Congress by a great State asking that body to assist Negroes who desire to settle in Liberia, encouraged the repatriationists, and at the same time created misgiving and uncertainty in the hitherto confident ranks of the amalgamationists. There are not many white people who know of this division in the Negro race for it seems to be generally assumed by the whites that all Negroes would welcome the chance to lose their race identity by mixing with the whites. What type of Negro, then, are the repatriationists who propose to maintain the Negro type under conditions which would insure race integrity?

Racially, those who propose to maintain their racial type and achieve conditions to insure this purpose, would be the biological element upon which the race would have to depend. Racially, this element would be the elite of the race, while, racially, those with adverse proposal would be racial refuse, however valuable their qualities as individuals.

The fact that Negro leaders, the eminent ones named in this article, and a host of others less known to fame, have always obtained an important following when advocating Negro nationality is evidence that the Negro has pride in his race and a practical desire for it to stand alone and strive as other races. But it is evidence ignored by many white people who glibly state that the Negro has neither desire for race integrity nor ambition to achieve race nationality.

Thank God, there is a very wholesome element in the Negro race which believes in the Negro nationality, which believes in race purity, and they resent, and resist, and abhor, and detest the mealymouthed politicians who are trying to offer them social equality and everything else to get their votes. They resent the intermarriage of the races. They resent the illegitimate interbreeding of the races. We have some Negroes who are that way. That is the class of Negro which wants to take its race and go back to the fatherland. However, it is the mongrel, the octoroon, that element of Negroes which tries to exploit its own race, which does not want the members of the Negro race to have anything to do with repatriating the race back to Africa.

It is evident that the reconstruction amendments to the Federal Constitution did not operate to deaden the Negro desire for race nationality. In addition to the Negro nationalists who have kept their ideal since these amendments, there also have been capable white individuals who advocated Negro nationalism, President Grant; United States Senators Ingalls, of Kansas; Morgan, of Alabama; Tillman, of South Carolina; Vardaman, of Mississippi; and Caraway, of Arkansas; Governors Jelks, of Albama, and Broward, of Florida, are on record as favoring racial separation.

The Negro nationalists were profoundly grateful for the Virginia memorial to Congress on their behalf. But there is, I believe, equal if not better evidence of potential white support for their cause in a measure brought forward in Mississippi a decade ago. It was passed by a great majority in the senate, reported favorably by the house committee on Federal relations but lost in the last days of the session. In Virginia, Negroes appeared before committees and sympathetic white citizens gave them support. In Mississippi no Negroes had requested aid. The measure originated within the senate, and it is a majestic one, showing a lofty sense of responsibility of the white race to provide for and to give full aid to Negroes who desire a national home. Its reproduction here is a fitting close to this article.

Here it is. In other words this is the last fact that I have to offer in the history of what has been done in this country toward repatriation. This resolution was introduced in the Senate of Mississippi and passed unanimously. It was conceived and written by Senator McCallum, of Laurel, Miss. I desire to read it to the Senate:

Senate concurrent resolution

Be it resolved by the Senate of the State of Mississippi (the house of representatives concurring therein), That we do hereby most solemnly memorialize the Congress of the United States of America to request the President to acquire by treaty, negotiations, or otherwise from our late war allies—

They might have said "our late war debtors"—

sufficient territory on the continent of Africa to make a suitable, proper, and final home for the American Negro, where under the tutelage of the American Government he can develop for himself a great republic, to become in time a free and sovereign state and take its place at the council boards of the nations of the world, and to use such part of our allied war debt as may be necessary in acquiring such territorial concession, to the end that our country may become one in blood as in spirit, and that the dream of our forefathers may be realized in the final colonization of the American Negro on his native soil, and that the spirit of race consciousness now so manifest in the American Negro may be given an opportunity for development under the most advantageous circumstances.

That is the sentiment of the Mississippi legislators.

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

Mr. BILBO. I yield.

Mr. RUSSELL. I did not hear the Senator from Mississippi state the year that action was taken by the Mississippi Legislature. I was interested in knowing when that action was taken.

Mr. BILBO. In 1926. In other words, here are two legislatures which have gone on record memorializing the President and the Congress of the United States to do the very thing for which I have been arguing and pleading for the last 4 days, and for which I will continue to plead for the next 28 days.

In this connection I wish to read into the RECORD a statement which assembles under one heading all the efforts of Abraham Lincoln in trying to make America a white country. The would-be Negro leaders who are not sympathetic with the idea of repatriating the Negro, are going to celebrate the birthday of Abraham Lincoln in a few days. It might be well for them to read and to analyze and think about what this man Lincoln really tried to do, and his contribution to the cause of the repatriation of the Negro, and making this country primarily a white man's country.

Lincoln favored limiting suffrage to whites.—"I stand for admitting all whites to the right of suffrage who pay taxes and bear arms, by no means excluding females." Announcing his candidacy for the legislature, 1836. He was then 27 years old.

He believed that Congress had no power to interfere with slavery. "* * * that the Congress of the United States has no power under the Constitution to interfere with the institution of slavery in the different States." (Resolution to the General Assembly of Illinois, 1837.)

That was Lincoln's resolution in 1837, just 100 years ago.

In other words, if Abraham Lincoln were here on the floor of the Senate, feeling as he felt about our dual scheme of government, he would vote against the antilynching bill, because he went so far as to say that the Federal Government has no power to interfere with slavery in the States. The only thing he did about it was to issue the Proclamation of Emancipation as a war measure, to weaken the Confederacy and to help defeat the Confederacy in the war.

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

Mr. BILBO. I yield.

Mr. LEWIS. I am sure the able Senator will agree with me that upon that basis President Lincoln's action would be called unconstitutional, not only in taking the property of the people without a hearing, but also in issuing his proclamation in the manner he did, without submitting it to Congress.

Mr. BILBO. Of course it was unconstitutional. Of course he violated the Constitution, just as the antilynchers are proposing to violate the Constitution with this bill. But Lincoln did it as a war measure. He did it as a means to help win the Civil War. In other words, he was violating the Constitution to save the Nation.

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

The PRESIDING OFFICER (Mr. SMATHERS in the chair). Does the Senator from Mississippi yield to the Senator from Texas?

Mr. BILBO. I shall be glad to yield.

Mr. CONNALLY. Does not the Senator recall that Mr. Lincoln, in a letter to Alexander Stephens, in December 1860, openly avowed that he, as President, had no power under the Federal Constitution to interfere with slavery in any of the States?

Mr. BILBO. He voted for a resolution in the Illinois Legislature in 1837 in which it was declared that the Congress of the United States had no power under the Constitution to interfere with the institution of slavery in the different States.

Mr. CONNALLY. He reiterated that, as I recall, as late as December 1860, after he had been elected President of the United States, in a letter to Alexander H. Stephens. The Senator from Mississippi is pointing out that when Mr. Lincoln issued the Emancipation Proclamation he did it as an act of war.

Mr. BILBO. Certainly.

Mr. CONNALLY. On the ground that by freeing the slaves he would thereby weaken the Confederacy and make it easier to overcome it.

Mr. BILBO. To show that he was keeping faith with his declaration and his belief as to our dual scheme of government, the Proclamation of Emancipation did not free the slaves in any of the States except the States which were then in rebellion against the Government.

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

Mr. BILBO. I yield.

Mr. LEWIS. Let me ask my able friend if it is his position that the attitude of Lincoln was not so much to favor the liberty of the Negro as it was to serve the war purposes by an assault upon those States which, as my able friend says, were in rebellion.

Mr. BILBO. Lincoln never at any time contended or intimated that he was fighting the Civil War to free the slaves. That was not the issue so far as Lincoln was concerned. Lincoln was prosecuting the war only to conserve and preserve the Union of the States.

He was not in favor of social or political equality of the white and black races and opposed intermarriage of whites and blacks.—"I will say, then, that I am not, nor ever have been, in favor of bringing about in anyway the social and political equality of the white and black races—that I am not, nor ever have been, in favor of making voters or jurors of Negroes, nor of qualifying them to hold office, nor to intermarry with white people; and I will say in addition to this that there is a physical difference between the white and black races which I believe will forever forbid the two races living together on terms of social and political equality."

But they are trying it now in New Jersey.

"And inasmuch as they cannot so live, while they do remain together there must be the position of superior and inferior, and I, as much as any other man, am in favor of having the superior position assigned to the white race." (Speech at Charleston, Ill., September 18, 1858.)

In New Jersey they have already done away with the idea of superiority and inferiority as between the whites and the blacks. They are all on a dead level. There is no apparent difference in New Jersey.

He supported the returning of the Negroes to Africa.—"If, as the friends of colonization hope, the present and coming generations of our countrymen shall by any means succeed in freeing our land from the dangerous presence of slavery, and at the same time restoring a captive people to their long-lost fatherland with bright prospects for the future, and this, too, so gradually that neither races nor individuals shall have suffered by the change, it will indeed be a glorious consummation. And if to such a consummation the efforts of Mr. Clay shall have contributed, it will be what he most ardently wished, and none of his labors will have been more valuable to his country and his kind." (Memorial address following the death of Henry Clay, who for many years had been president of the American Colonization Society.)

THE SUDDEN FREEING AND COLONIZATION OF THE NEGRO NOT POSSIBLE

"My first impulse would be to free all the slaves and send them to Liberia, to their own native land. But a moment's reflection would convince me that whatever of high hope (as I think there is) there may be in this in the long run, its sudden execution is impossible." (Debate with Senator Douglas, October 16, 1854.)

Lincoln believed that it should be done. He knew it ought to be done, and he devoted his life to the great proposition until he was assassinated. Yet he was of the opinion that it could not be done suddenly; and no real thinker who has ever advocated repatriation of the Negro has believed that it could be done overnight, or that we could put them all on the ship the same day. Lincoln believed that the process of moving them should be gradual. Mr. Tugwell, when he moved a great number of people from the Dust Bowl area of the Middle West to Alaska, did not move them all on one ship. He took them at different times.

What colonization needs most is a hearty will. Such separation, if effected at all, must be effected by colonization; and no political party, as such, is now doing anything directly for colonization.

I am sorry that is as true now as it was when Lincoln was talking.

Party operations at present only favor or retard colonization incidentally. The enterprise is a difficult one; "but where there is a will there is a way," and what colonization needs most is a hearty will. Will springs from the two elements of moral sense and self-interest. Let us be brought to believe that it is morally right, and at the same time favorable to, or at least not against, our interests to transfer the African to his native clime, and we shall find a way to do it, however great the task may be. (Debate with Senator Douglas, June 26, 1857.)

Lincoln was right. Wherever there is a will, there is a way. I am one of those who think there is no limit to the possibilities of the human mind if intelligently and indefatigably applied to the solution of any problem or the accomplishment of any fact. Thank God, there is no limit to what the human mind can do. That is why I am in favor of the repatriation of the Negro, because I know that the Negro, not being of the Caucasian race, is inferior when it comes to creative genius, when it comes to intellect, or when it comes to any mental powers. His head is not suitably built, and it does not grow in such a manner as to permit intellectual development, because, as the scientists and ethnologists tell us, the bones which make up the skull are joined together by sutures; and, in the case of the Negro, by the time he has reached the age of puberty, these sutures have become ossified and solidified, and there is no room thereafter for the brain to expand.

Lincoln knew that. He called attention to it.

Proposed to colonize Negroes liberated from persons in arms against the Government. * * * at some place or places in a climate congenial to them. * * * If it be said that the only legitimate object of acquiring territory is to furnish homes for white men, this measure effects that object; for the emigration of colored men leaves additional room for white men remaining or coming here.

Lincoln had the right idea about it. He agreed with Douglas, he agreed with Jefferson, Clay, and others that this is primarily a white man's country. That is why we have left the doors open, and, through our immigration laws, have permitted whites from various sections of Europe to come into the United States. We have kept the gates open for, lo, these many years, possibly too long; but the United States have been the haven of refuge for the oppressed of all the white races of the earth. They have come; they have settled here; they are with us; and, possibly, are causing congestion in some of our great industrial centers; but if we will give the Negro a chance to be repatriated—and I know he wants to be, if he has any sense, if he knows what is good for him and his offspring—he will leave vacant lands and homes and opportunities and jobs for the white men who are already bringing about congestion now in this country.

Lincoln further asked for free Negroes to volunteer for colonization, and he said:

Your race suffers very greatly, many of them by living among us, while ours suffer from your presence. In a word, we suffer on each side. If this is admitted, it affords a reason, at least, why we should be separated.

That is a quotation from the address of Abraham Lincoln to a committee of free Negroes on August 14, 1862. I quote further from Lincoln's Emancipation Proclamation of September 22, 1862:

And that the effort to colonize persons of African descent with their consent upon this continent or elsewhere, with the previously obtained consent of the governments existing there, will be continued.

In his speech at Springfield, Ill., on June 26, 1857, Abraham Lincoln contended that colonization is the only preventative of amalgamation.

Lincoln knew what was happening in the South, in the North, and in the West.

Colonization will settle the Negro problem forever. "Our strife pertains to ourselves—to the passing generation of men; and it can without convulsion be hushed forever with the passing of one generation."

He then proposed an amendment to the United States Constitution, giving the right to Congress to appropriate money for colonization:

Congress may appropriate money and otherwise provide for colonizing free colored persons with their own consent, at any place or places without the United States.

Mr. President, I think I shall give Senators a chance to decide whether they believe in white supremacy, whether they believe in keeping the white race pure, whether they believe in keeping the white bloodstream pure, or whether they believe in amalgamation with the brown race that is to come. So, I think I shall dig up this suggested amendment by President Lincoln and offer it to the Congress and see how they feel about it. Let us submit it to the 48 States and ascertain whether the legislatures of those States are willing to give the Congress power to provide the funds and means to bring about a peaceful, friendly, sympathetic repatriation, with the consent of the Negro.

The colonization of the Negro will benefit the Negro and benefit the laboring people, North and South.

Listen to Lincoln in his second annual message.

Reduce the supply of black labor by colonizing the black labor out of the country, and by precisely so much you increase the demand for, and wages of, white labor.

I know also that jobs would be provided for the white men and the white women of this country.

He began to realize the Negroes would reluctantly go, but in his second message he said, "Opinion among them in this respect is improving."

As I recited a while ago, it was the carpetbaggers who overran the South in reconstruction days, who tried to sow the seeds of discontent and remove from the Negro's mind the idea of bettering his condition by repatriation to Africa. The Negro is learning better now.

Conscious that the war for the preservation of the Union had been won, he commissioned Gen. Benjamin F. Butler, April 1865, to inquire into and give his views as to whether the Negroes could be exported (Butler Memoirs on p. 903). Lincoln was assassinated. Other forces instituted other ideals and the race which Lincoln sought to colonize has today increased to 12,000,000 in our midst.

And over 8,000,000 of the 12,000,000 live in the solid South.

There are but two possible outcomes to the American Negro problem—separation or amalgamation. As a nation, we are confronted with these alternatives and from them there can be no escape. White America can be attained only by sane and constitutional methods.

That is what I have been advocating for 4 days.

Congress may appropriate money and otherwise provide for colonizing persons of African descent at any place or places without the United States.

Those are, in substance, the words of the constitutional amendment proposed by Abraham Lincoln before he was assassinated by John Wilkes Booth.

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

The PRESIDING OFFICER (Mr. SCHWELLENBACH in the chair). Does the Senator from Mississippi yield to the Senator from New Jersey?

Mr. BILBO. I am delighted to yield.

Mr. SMATHERS. Since when has Abraham Lincoln become authority to be quoted by the Senator from Mississippi?

Mr. BILBO. I am glad the Senator asked that question. We are dealing with a race problem, and in dealing with it we have to deal with Republicans and Democrats who seemingly do not believe in our constitutional American dual form or scheme of government; and, since Abraham Lincoln was the President who issued the proclamation to free the Negroes of the South, it strikes me that his views might have some effect upon our Republican friends who claim Abraham Lincoln as the father of their party. I was also hoping that it might have effect upon my Democratic friends from the North who are now ready, for the sake of the Negro vote, to repudiate our democratic ideal of government, the dual scheme of government. If we are not able to convince them by reference to Thomas Jefferson and Andrew Jackson and other great Democrats who preached and believed in State rights, and believed in the dual form of government, under which there should exist two sovereignties, and neither should violate the sovereignty of the other, I thought, perhaps, the words of the father of the Republican Party might have some effect upon my northern Democratic friends.

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

Mr. BILBO. Yes.

Mr. CONNALLY. Let me ask the Senator from Mississippi if it is not rather amusing to hear a Senator who is advocating this bill, as we claim purely for political effect, resent the fact that the name of Abraham Lincoln, who was the best friend that the colored man probably ever had, at least, up to his day and time, should be mentioned and his authority and his generous attitude toward the Negro should be quoted in this debate?

Mr. BILBO. I certainly think the Senator is correct in his observation; in fact, I think the whole attitude of the northern Democrats who are espousing this un-American, undemocratic, unconstitutional antilynching bill is amusing.

Mr. SMATHERS. Mr. President——

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

Mr. BILBO. I am delighted to yield.

Mr. SMATHERS. Mr. President, in answer to the Senator from Texas, inasmuch as there has been proceeding for a period of more than a month long debate in opposition to this measure on the part of Senators from the South, where opposition to it is exceedingly popular, I think the most amusing thing about it all is to hear it charged that

Senators who may be advocating this bill are doing so for political purposes.

Mr. BILBO. In response to the Senator's observation, I think there is another thing more amusing than the fact recited by the Senator from New Jersey. It is to see a southern man, born and reared in the South and imbued with southern ideals and sentiments, one who has been taught that the Negro belongs to an inferior race and that he is not entitled to social equality or civil rights or political rights, move to the North and then reverse his whole philosophy, and the sentiments of the people amongst whom he was reared, to such an extent that he is not only in favor of giving the Negro political rights but is in favor of giving him social rights and civil rights, and has reached the point where he is willing to go in swimming with him. I think that is funnier than anything else that has occurred.

Mr. SMATHERS. Mr. President, will the Senator further yield?

Mr. BILBO. I yield.

Mr. SMATHERS. In response to the Senator's observation, I desire to say that there is nothing unusual about a man moving away from his prejudice and moving out into the open, where he can see things as they actually should be seen. It would be a nice thing for the Senator from Mississippi if he could move away from the picture for a few years, so that he could get the true concept of it.

Mr. BILBO. Mr. President, my attention was distracted by a remark of the Senator from Indiana [Mr. VAN NUYS], and I did not catch the latter part of the Senator's observation. I should be glad to have him repeat it.

Mr. SMATHERS. The latter part of my observation was that travel is good for a man's education. It may broaden his concept a little.

Mr. BILBO. I think the Senator's observation is perfectly correct. I think his position is well taken, because I notice that when Turner, this great Negro from Georgia, and Mr. Adams, and all of the great leaders, traveled a while, and went into different parts of the country, and had a chance to see face to face what had happened in those parts of the country as a result of amalgamation of the races, as a result of the races living side by side, all of them were converted to the very thing I am advocating, and were in opposition to the position taken by the Senator from New Jersey. The intimation of the Senator from New Jersey is that I am more or less of a provincial, that I live in a very small territory, that my vision has been limited, and my opportunity for observation has been limited. I have not always stayed in Mississippi. I finished my education at the University of Michigan. I even went to school with a Negro. Not only that, but I have visited seven countries in Europe, and I had a chance there to observe what was happening; and if the Senator would go a little farther than New Jersey in his journeys out of North Carolina, I think possibly he would change his view.

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

Mr. BILBO. I yield.

Mr. SMATHERS. I just want to say to the Senator from Mississippi that there are exceptions to all rules. [Laughter.]

Mr. BILBO. Yes; I think the Senator is right in that position, because I think he is the only exception I have noted in some time of the southern born, trained, and educated southern man crossing Mason and Dixon's line and then turning Yankee 100 percent. [Laughter.]

(At this point Mr. BILBO yielded to Mr. VAN NUYS, who presented certain petitions which are noted under their appropriate heading elsewhere in today's RECORD.)

Mr. BILBO. Mr. President, I was happy to suspend to permit the Senator from Indiana [Mr. VAN NUYS] to present these petitions. If the society which presents these petitions, together with the one in New York, of which Walter White is the head, would use the money they are extracting from the Negro masses and a few misguided whites in this country to put on a campaign to generate a sentiment and an atmosphere in the United States for the repatriation of the Negro back to his fatherland, they would do more good than they can do in a thousand years with the meaningless petitions they submit here. I appreciate the fact that prominent people have been associated with these Negro organizations, and I would that I could appeal to them—and I should do it in all sincerity, for the sake of the common good, the good of the white and the black races—to divert their efforts along other lines than trying to encourage the Negro in his efforts to secure more and more of civil and social rights here, there, and elsewhere. Instead of doing that, I hope they will give their time to developing a sentiment for bringing about the speedy repatriation of the Negro to his native land, where he will have a real chance, and where he will not have to suffer the discriminations of the past.

We have a prominent leader in the Department of Agriculture in Washington, Dr. Alexander, who for a number of years was the head of a Negro racial association in Atlanta, Ga. If men of that type, outstanding leaders in government, would give some of their time and thought to the solution not only of the lynching question but of all the racial questions of all the years to come, instead of trying to pacify and placate and monkey around with a piece of foolishness like this, we should get somewhere in solving our racial troubles.

Mr. LEWIS. Mr. President——

Mr. BILBO. I yield to the Senator from Illinois.

Mr. LEWIS. I should like my friend, the able Senator from Mississippi, to answer a question.

Upon the theory that the Negro is to be sent out of the country, if it can be arranged, to what we may call his fatherland, in the case of a Negro who was born here in the United States from a father who was born in the United States, and he from a father who was born in the United States, and there are four generations of colored people all born in the United States, would not the able Senator regard this country as his fatherland?

Mr. BILBO. I am glad the Senator from Illinois has propounded that question. The Negro ought to be a better judge of the answer to that question than the Senator from Illinois or the Senator from Mississippi. If the Negro himself calls Africa his motherland or his fatherland, he is the one best able to judge. I am talking about the Negroes of the present generation. It has been conceded by all historians and everyone who has given any thought to the matter that Africa has always been the homeland of the Negro race. That is where they originated. That is where they started, so far as any known history is concerned. From that one point they have migrated to different parts of the world—to India, to Asia, to Europe, to the United States, to South America, and to the islands of the sea, except to the continent of Australia. The Australians provide in their constitution that no Negro may enter Australia and make it his homeland. That is one land that is white. That is one land where the people propose to keep the white bloodstream pure, and where they are not going to take the risk of intermarriage, interbreeding, or amalgamation, as we have done in this country.

So I think the Negro and the historian will agree that regardless of the fact that the Negro was born here, when he traces his ancestry back it will be found that he came direct from Africa, and that Africa is in fact the homeland of the Negro throughout the world, not only the United States but other countries. Being more or less descended from the Irish, I know that I feel very kindly toward Ireland.

We are going to have trouble in this country with the Negro. We are going to have trouble with the Negro in the North. That trouble is just as sure to come, and just as certain to come, as it is certain—as I am sure my friend from New Jersey will agree—that the activities of the Communist Party in America are going to give the American people trouble. The Negro is the most fertile field for the dissemination of the Communist doctrine.

I desire to call the attention of the Senate to a letter I have just received from New York. I want to read it and

put it in the RECORD, because it is an eye-opener to exactly what is taking place in this country.

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

Mr. BILBO. Yes.

Mr. SMATHERS. Am I to understand that the Senator is now going to talk about Communism?

Mr. BILBO. I am still talking about the Negro as an easy prey for the Communist doctrine that is being disseminated in this country.

Mr. SMATHERS. The Senator will have to excuse me, then. I am going.

Mr. BILBO. Surely. I trust the Senator will find time to read my observations along this line.

I received this letter dated February 3, 1938. This is "hot off the bat":

Senator THEODORE G. BILBO,
Senate Office Building, Washington, D. C.

DEAR SENATOR BILBO: With reference to a news item in the final edition of the New York World-Telegram of the 2d instant, re girls employed in Government offices at Washington living with male Negroes, in connection with the general subject I have enclosed a copy of a set of resolutions passed at Moscow in 1930 to regulate the Negro question in America. You will note that these resolutions were duplicated and brought up to January 1937—

This is new stuff—

for the purpose of using at all Communist classes in the United States, and to supply delegates and lay members of the Negro race in the United States at their National Negro Conference held at Philadelphia, October 15, 16, and 17, 1937, in a mass drive to start the Negroes after "equality" for their race, as accorded to the white race under the Constitution.

At this conference there were many white Jewish girls sent there to live at same hotels, be seen in the company of Negroes on the streets, at theaters, restaurants, etc., for the purpose of firing the imagination of the Negroes on the question of "equality" for the colored race under a soviet America.

These are the machinations and operations and schemes of the leaders of the Communist Party.

At this conference there were over 1,100 delegates from 27 States, representing approximately 12,000,000 Negroes in the States, not to speak of our possessions. From this you can faintly grasp what the Communist program for America is. Thousands of copies of those resolutions have been spread through your Southern States, and at the New York Communist "Workers' School" at 50 East Thirteenth Street, there are registered 10,000 students in this year's study period who will take the course on the Negro equality question in America as an important part of the Communist activity. What do you and other American Senators, Representatives, and the lay citizenry, propose to do about it?

Here is the news item. Ten thousand students are now registered at the "Workers' School" at 50 East Thirteenth Street, New York City, N. Y., taking a course on the Negro equality question in America.

What do you * * * propose to do about it? Lay down and take it, or stand firm against such a movement? America is on its way for communism or fascism at the next national election. What are people south of the Mason and Dixon's line going to do? That is the burning subject for you to aid in getting before the American people. Now; not a minute to lose. Time is of the essence—

And so forth.

I do not entertain any fear that the Communist Party will be any considerable factor in the 1940 campaign. Of course, there are Communist organizations here and there and everywhere throughout the United States; but I say to Senators from the North who are trying to placate and line up the Negro vote by the support of this bill that the Communists are busy organizing the same Negro population, the same Negro vote; and you, sailing under the Democratic banner, may wake up on election morning and find that some candidate on the Communist ticket has taken the Negro vote and run away with it.

I read further from this letter:

There is a movement spreading around the Nation to combat these influences that would destroy American traditions.

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

Mr. BILBO. I am glad to yield.

Mr. CONNALLY. I suppose the Senator has seen copies of the resolution recently adopted by the Communist Party of America, in New York, advocating the pending bill?

Mr. BILBO. I did not see it. I have a copy of resolutions adopted last year in Philadelphia, proposing to go to the South and organize all the Negroes in the Black Belt, encouraging them to kill off the owners of the white plantations and take the farms of the South in the Black Belt.

Mr. CONNALLY. Propounding another inquiry, I have copies here of resolutions adopted in New York by the Communist Party advocating the bill, and I also have in my possession a number of telegrams to me bitterly denouncing me, and accusing me for not favoring the passage of the bill, from various communistic locals in New York City. I ask the Senator whether he has also seen an official statement from the Communist organization that the Senator from Texas is to be defeated in the next election because he does not advocate this particular measure, the statement officially signed by the Communist Party in New York City?

Mr. BILBO. I have not had opportunity of seeing the telegrams and having the information contained in them, but I have also been the recipient of many threats, and one among the threats is that they will proceed at once to qualify and vote all the Negroes in Mississippi, and that my days in the Senate are numbered. I do not know whether it is possible for them to carry out that purpose or not. Whether it is or not, for fear there might be a remote possibility of it, I will try to make use of the few hours I have left on the floor of the Senate. [Laughter.]

I wish to finish reading the letter to which I have been calling attention because I want it in the RECORD:

There is a movement spreading around the Nation to combat these influences that would destroy American traditions and its constitution for this wild, devilish, subversive, alien-devised and directed Communist movement which I take the liberty of calling to your attention that you may contact them and learn of activities that will make your blood run cold; it includes a plan to sabotage military units which no one in Washington dares attempt to interfere with but which when you hear its plans I feel sure you will dare move it out into the daylight of exposure and let the American people learn through their Senate and Congress what they face, therefore I furnish the names and address of Mr. and Mrs. L. D. Edwards, Carnegie Studio Building, Fifty-seventh Street and Seventh Avenue, New York City, N. Y., Studio No. 92, phone Circle 6-7154.

You may arrange with Mr. or Mrs. Edwards to meet you in Washington with material to establish beyond a doubt the truth of the assertions made in this letter. In conclusion I wish to offer my sincere congratulation for your fearless stand in exposing the vile trespass on American womanhood by the Negro and the more vicious attempt of communism to educate the Negro that it is an inherent right for the Negro to marry white women. Read the "resolutions" herewith carefully and read it to America in a senatorial investigation that shall be broadcast without interruption into every nook and corner of the Nation; then let the American rise in the might and rightful indignation and settle the question of communism in America for all time, let it be done before there is Russian revolution that will destroy all that is dear to Americans. Do not forget that communism staged the first move in their planned Soviet America revolution at Jersey City, N. J., where Mayor Hague stopped them only to have them attempt to lead him to slaughter. Do not let them win. Help beat them by seating JOHN MILTON as Senator from New Jersey against whom the guns of communism are now trained through the Senate.

I now wish to offer to the Senate a resolution adopted by the Communist Internationale in St. Louis. I shall ask unanimous consent that it be printed at this juncture in my speech as a part of my remarks.

Mr. CONNALLY. Without affecting the Senator's right to the floor.

Mr. BILBO. Yes. I request that I be permitted to include it as a part of my remarks without reading it, and I do not wish to lose the floor.

The PRESIDING OFFICER. The Senator from Mississippi asks unanimous consent that he may have certain matters printed in the RECORD without prejudicing his right to the floor. Is there objection?

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

[Workers School—Negro America and the struggle against reaction—Resolution of the Communist International on the Negro question in the United States]

RESOLUTION OF COMMUNIST INTERNATIONAL OCTOBER 1930 (RENEWED JANUARY 1937)

1. The Communist Party of the United States has always acted openly and energetically against Negro oppression and has thereby

won increasing sympathy among the Negro population. In its own ranks, too, the party has relentlessly fought the slightest evidences of white chauvinism, and has purged itself of the gross opportunism of the Lovestoneites. According to the assertions of these people, the "industrial revolution" will sweep away the remnants of slavery in the agricultural South, and will proletarianize the Negro peasantry, so that the Negro question, as a special national question, would thereby be presumably solved, or could be put off until the time of the Socialist revolution in America. But the party has not yet succeeded in overcoming in its own ranks all underestimation of the struggle for the slogan of the right of self-determination, and still less succeeded in doing away with all lack of clarity on the Negro question. In the party discussion the question was often wrongly put and much erroneous counterposing of phases of the question occurred; thus, for instance, should the slogan of social equality or the slogan of the right of self-determination of the Negroes be emphasized? Should only propaganda for the Negroes' right of self-determination be carried on, or should this slogan be considered as a slogan of action? Should separatist tendencies among the Negroes be supported or opposed? Is the southern region, thickly populated by Negroes, to be looked upon as a colony, or as an integral part of the national economy of the United States, where presumably a revolutionary situation cannot arise independent of the general revolutionary development in the United States?

In the interest of the utmost clarity of ideas on this question, the Negro question in the United States must be viewed from the standpoint of its peculiarity, namely, as the question of an oppressed nation, which is in a peculiar and extraordinarily distressing situation of national oppression, not only in view of the prominent racial distinctions (marked difference in the color of skin, etc.), but above all, because of considerable social antagonism (remnants of slavery). This introduces into the American Negro question an important, peculiar trait which is absent from the national question of other oppressed peoples. Furthermore, it is necessary to face clearly the inevitable distinction between the position of the Negro in the South and in the North, owing to the fact that at least three-fourths of the entire Negro population of the United States (12,000,000) live in compact masses in the South, most of them being peasants and agricultural laborers in a state of semiserfdom, settled in the Black Belt, and constituting the majority of the population, whereas the Negroes in the northern States are for the most part industrial workers of the lowest categories who have recently come to the various industrial centers from the South (having often even fled from there).

The struggle of the Communists for the equal rights of the Negroes applies to all Negroes, in the North as well as in the South. The struggle for this slogan embraces all or almost all of the important special interests of the Negroes in the North, but not in the South, where the main Communist slogan must be: The right of self-determination of the Negroes in the Black Belt. These two slogans, however, are most closely connected. The Negroes in the North are very much interested in winning the right of self-determination of the Negro population of the Black Belt and can thereby hope for strong support for the establishment of true equality of the Negroes in the North. In the South the Negroes are suffering no less, but still more than in the North from the glaring lack of all equality; for the most part the struggle for their most urgent partial demands in the Black Belt is nothing more than the struggle for their equal rights, and only the fulfillment of their main slogan, the right of self-determination in the Black Belt, can assure them of true equality.

I. THE STRUGGLE FOR THE EQUAL RIGHTS OF THE NEGROES

2. The basis for the demand of equality of the Negroes is provided by the special yoke to which the Negroes in the United States are subjected by the ruling classes. In comparison with the situation of the other various nationalities and races oppressed by American imperialism, the yoke of the Negroes in the United States is of a peculiar nature and particularly oppressive. This is partly due to the historical past of the American Negroes as imported slaves, but is much more due to the still-existing slavery of the American Negro, which is immediately apparent, for example, in comparing their situation even with the situation of the Chinese and Japanese workers in the West of the United States, or with the lot of the Filipinos (Malay race) who are under colonial repression.

It is only a Yankee bourgeois lie to say that the yoke of Negro slavery has been lifted in the United States. Formally it has been abolished, but in practice the great majority of the Negro masses in the South are living in slavery in the literal sense of the word. Formally they are "free" as "tenant farmers" or "contract laborers" on the big plantations of the white landowners, but actually they are completely in the power of their exploiters; they are not permitted, or else it is made impossible for them to leave their exploiters; if they do leave the plantations, they are brought back and in many cases whipped; many of them are simply taken prisoner under various pretexts and, bound together with long chains, they have to do compulsory labor on the roads. All through the South the Negroes are not only deprived of all rights and subjected to the arbitrary will of the white exploiters, but they are also socially ostracized; that is, they are treated in general not as human beings but as cattle. But this ostracism regarding Negroes is not limited to the South. Not only in the South but throughout the United States the lynching of Negroes is permitted to go unpunished. Everywhere the American bourgeoisie surrounds the Negroes with an atmosphere of social ostracism.

The 100-percent Yankee arrogance divides the American population into a series of castes, among which the Negroes constitute, so to speak, the caste of the "untouchables" who are in a still lower category than the lowest categories of human society, the immigrant laborers, the yellow immigrants, and the Indians. In all big cities the Negroes have to live in special segregated ghettoes (and, of course, have to pay extremely high rent).

[Moscow questions the right of Americans to segregate Negroes, this in spite of a promise to Roosevelt not to propagate.]

In practice, marriage between Negroes and whites is prohibited, and in the South this is even forbidden by law. In various other ways the Negroes are segregated; and if they overstep the bounds of the segregation, they immediately run the risk of being ill-treated by the 100-percent bandits. As wage earners the Negroes are forced to perform the lowest and most difficult work; they generally receive lower wages than the white workers and do not always get the same wages as white workers doing similar work, and their treatment is the very worst. Many American Federation of Labor trade-unions do not admit Negro workers in their ranks and a number have organized special trade-unions for Negroes so that they will not have to let them into their "good white society."

This whole system of "segregation" and "Jim Crowism" is a special form of national and social oppression under which the American Negroes have much to suffer. The origin of all this is not difficult to find. This Yankee arrogance toward the Negroes stinks of the disgusting atmosphere of the old slave market. This is downright robbery and slave-whipping barbarism at the peak of capitalist "culture."

3. The demand for equal rights in our sense of the word means not only demanding the same rights for the Negroes as the whites have in the United States at the present time but also demanding that the Negroes should be granted all rights and other advantages which we demand for the corresponding oppressed classes of whites (workers and other toilers). Thus in our sense of the word the demand for equal rights means a continuous work of abolishment of all forms of economic and political oppression of the Negroes, as well as their social exclusion, the insults perpetrated against them, and their segregation. This is to be obtained by constant struggle by the white and black workers for effective legal protection for the Negroes in all fields, as well as actual enforcement of their equality and the combating of every expression of Negrophobia. One of the Communist slogans is "Death for Negro lynching."

The struggle for the equal rights of the Negroes does not in any way exclude recognition and support for the Negro's right to their own special schools, Government organs, and so forth, wherever the Negro masses put forward such national demands of their own accord. This will, however, in all probability occur to any great extent only in the Black Belt. In other parts of the country the Negroes suffer above all from being shut out from the general social institutions and not from being prohibited from setting up their own national institutions. With the development of the Negro intellectuals (principally in the "free" professions) and of a thin layer of small capitalist business people, there have appeared lately not only definite efforts for developing a purely national Negro culture, but also outspoken bourgeois tendencies toward Negro nationalism. The broad masses of the Negro population in the big industrial centers of the North are, however, making no efforts whatsoever to maintain and cultivate a national aloofness. They are, on the contrary, working for assimilation. This effort of the Negro masses can do much in the future to facilitate the progressive process of amalgamating the whites and Negroes into one Nation, and it is under no circumstances the task of the Communists to give support to bourgeois nationalism in its fight with the progressive assimilation tendencies of the Negro working masses.

4. The slogan of equal right of the Negroes without a relentless struggle in practice against all manifestations of negrophobia on the part of the American bourgeoisie can be nothing but a deceptive liberal gesture of a sly slave owner or his agent. This slogan is in fact repeated by "socialist" and many other bourgeois politicians and philanthropists, who want to get publicity for themselves by appealing to the "sense of justice" of the American bourgeoisie in the individual treatment of the Negroes, and thereby sidetrack attention from the one effective struggle against the shameful system of "white superiority"; from the class struggle against the American bourgeoisie. The struggle for equal rights for the Negroes is, in fact, one of the most important parts of the proletarian class struggle in the United States.

The struggle for equal rights for the Negroes must certainly take the form of common struggle by the white and black workers.

The increasing unity of the various working-class elements provokes constant attempts on the part of the American bourgeoisie to play one group against another, particularly the white workers against the black, and the black workers against the immigrant workers, and vice versa, and thus to promote the divisions within the working class, which contribute to the bolstering up of American capitalist rule. The party must carry on a ruthless struggle against all these attempts of the bourgeoisie and do everything to strengthen the bonds of class solidarity of the working class on a lasting basis.

In the struggle for equal rights for the Negroes, however, it is the duty of the white workers to march at the head of this struggle. They must everywhere make a breach in the walls of

segregation and Jim Crowism which have been set up by bourgeois slave-market morality. They must most ruthlessly unmask and condemn the hypocritical reformists and bourgeois "friends of Negroes" who, in reality, are only interested in strengthening the power of the enemies of the Negroes. They, the white workers, must boldly jump at the throat of the 100-percent bandits who strike a Negro in the face. This struggle will be the test of real international solidarity of the American white workers.

It is the special duty of the revolutionary Negro workers to carry on tireless activity among the Negro working masses to free them of their distrust of the white proletariat and draw them into the common front of the revolutionary class struggle against the bourgeoisie. They must emphasize with all force that the first rule of proletarian morality is that no worker who wants to be an equal member of his class must ever serve as a strike-breaker or a supporter of bourgeois politics. They must ruthlessly unmask all Negro politicians corrupted or directly bribed by American bourgeois ideology, who systematically interfere with the real proletarian struggle for equal rights for the Negroes.

Furthermore, the Communist Party must resist all tendencies within its own ranks to ignore the Negro question as a national question in the United States; not only in the South but also in the North. It is advisable for the Communist Party in the North to abstain from the establishment of any special Negro organizations, and in place of this to bring the black and white workers together in common organization of struggle and joint action. Effective steps must be taken for the organization of Negro workers in the Trade Union Unity League and revolutionary trade unions. Underestimation of this work takes various forms: Lack of energy in recruiting Negro workers, in keeping them in our ranks, and in drawing them into the full life of the trade unions, selecting, educating, and promoting Negro forces to leading functions in the organizations.

The party must make itself entirely responsible for the carrying through of this very important work. It is most urgently necessary to publish a popular mass paper dealing with the Negro question, edited by white and black comrades, and to have all active followers of this paper grouped organizationally.

II. THE STRUGGLE FOR THE RIGHT OF SELF-DETERMINATION OF THE NEGROES IN THE BLACK BELT

5. It is not correct to consider the Negro zone of the South as a colony of the United States. Such a characterization of the Black Belt could be based in some respects only upon artificially construed analogies and would create superfluous difficulties for the clarification of ideas. In rejecting this estimation, however, it should not be overlooked that it would be none the less false to try to make a fundamental distinction between the character of national oppression to which the colonial peoples are subjected and the yoke of other oppressed nations. Fundamentally, national oppression in both cases is of the same character and is in the Black Belt in many respects worse than a number of actual colonies. On one hand the Black Belt is not in itself, either economically or politically, such a united whole as to warrant its being called a special colony of the United States. But, on the other hand, this zone is not either economically or politically such an integral part of the whole United States as any other part of the country. Industrialization in the Black Belt is not as is generally the case in colonies, properly speaking, in contradiction with the ruling interests of the imperialist bourgeoisie, which has in its hands the monopoly of all the industry; but insofar as industry is developed here, it will in no way bring a solution to the question of living conditions of the oppressed Negro majority nor to the agrarian question, which lies at the basis of the national question. On the contrary, this question is still further aggravated as a result of the increase of the contradictions arising from the procapitalist forms of exploitation of the Negro peasantry and of a considerable portion of the Negro proletariat (miners, forestry workers, etc.) in the Black Belt, and at the same time, owing to the industrial development here, the growth of the most important driving force of the national revolution, the black working class, is especially strengthened. Thus the prospect for the future is not an inevitable dying away of the national revolutionary Negro movement in the South, as Lovestone prophesied, but, on the contrary, a great advance of this movement and the rapid approach of a revolutionary crisis in the Black Belt.

6. Owing to the peculiar situation in the Black Belt (the fact that the majority of the resident Negro population are farmers and agricultural laborers and that the capitalist economic system as well as political class rule there is not only of a special kind, but to a great extent still has precapitalist and semicolonial features), the right of self-determination of the Negroes as the main slogan of the Communist Party in the Black Belt is appropriate. This, however, does not in any way mean that the struggle for equal rights for the Negroes in the Black Belt is less necessary or less well founded than it is in the North. On the contrary, here, owing to the whole situation, this struggle is even better founded; but the form of this slogan does not sufficiently correspond with the concrete requirements of the liberation struggle of the Negro population. Anyway, it is clear that in most cases it is a question of the daily conflicts of interest between the Negroes and the white rulers in the Black Belt on the subject of infringement of the most elementary equality rights of the Negroes by the whites. Daily events of the kind are: All Negro persecutions, all arbitrary economic acts of robbery by the white exploiters (Black Man's Burden) and the whole system of so-called Jim-Crowism. Here, however, it is very important in connection with all these concrete cases of conflict to concentrate the attention of the Negro masses not so much on the general demands of mere equality, but much more on some of the revolutionary basic demands arising from the concrete situation.

The slogan of the right of self-determination occupies the central place in the liberation struggle of the Negro population in the Black Belt against the yoke of American imperialism. But this slogan, as we see it, must be carried out only in connection with two other basic demands. Thus, there are three basic demands to be kept in mind in the Black Belt, namely, the following:

(a) Confiscation of the landed property of the white landowners and capitalists for the benefit of the Negro farmers: The landed property in the hands of the white American exploiters constitutes the most important material basis of the entire system of national oppression and serfdom of the Negroes in the Black Belt. More than three-quarters of all Negro farmers here are bound in actual serfdom to the farms and plantations of the white exploiters by the feudal system of "sharecropping." Only on paper and not in practice are they freed from the yoke of their former slavery. The same holds completely true for the great mass of black contract laborers. Here the contract is only the capitalist expression of the chains of the old slavery, which even today are not infrequently applied in their natural iron form on the roads of the Black Belt (chain-gang work). These are the main forms of present Negro slavery in the Black Belt, and no breaking of the chains of this slavery is possible without confiscating all the landed property of the white masters. Without this revolutionary measure, without the agrarian revolution, the right of self-determination of the Negro population would be only a Utopia, or, at best, would remain only on paper without changing in any way the actual enslavement.

(b) Establishment of the state unity of the Black Belt: At the present time this Negro zone—precisely for the purpose of facilitating national oppression—is artificially split up and divided into a number of various states which include distant localities having a majority of white population. If the right of self-determination of the Negroes is to be put into force, it is necessary wherever possible to bring together into one governmental unit all districts of the South where the majority of the settled population consists of Negroes. Within the limits of this state there will of course remain a fairly significant white minority which must submit to the right of self-determination of the Negro majority. There is no other possible way of carrying out in a democratic manner the right of self-determination of the Negroes. Every plan regarding the establishment of the Negro state with an exclusively Negro population in America (and of course, still more exporting it to Africa) is nothing but an unreal and reactionary caricature of the fulfillment of the right of self-determination of the Negroes, and every attempt to isolate and transport the Negroes would have the most damaging effect upon their interests. Above all, it would violate the right of the Negro farmers in the Black Belt not only to their present residences and their land, but also to the land owned by the white landlords and cultivated by Negro labor.

(c) Right of self-determination: This means complete and unlimited right of the Negro majority to exercise governmental authority in the entire territory of the Black Belt, as well as to decide upon the relations between their territory and other nations, particularly the United States. It would not be right of self-determination in our sense of the word if the Negroes in the Black Belt had the right of self-determination only in cases which concerned exclusively the Negroes and did not affect the whites, because the most important cases arising here are bound to affect the whites as well as Negroes. First of all, true right to self-determination means that the Negro majority and not the white minority in the entire territory of the administratively united Black Belt exercises the right of administering governmental, legislative, and judicial authority. At the present time all this power is concentrated in the hands of the white bourgeoisie and landlords. It is they who appoint all officials, it is they who dispose of public property, it is they who determine the taxes, it is they who govern and make the laws. Therefore, the overthrow of this class rule in the Black Belt is unconditionally necessary in the struggle for the Negroes' right to self-determination. This, however, means at the same time the overthrow of the yoke of American imperialism in the Black Belt on which the forces of the local white bourgeoisie depend. Only in this way, only if the Negro population of the Black Belt wins its freedom from American imperialism even to the point of deciding itself the relations between its country and other governments, especially the United States, will it win real and complete self-determination. One should demand from the beginning that no armed forces of American imperialism should remain on the territory of the Black Belt.

7. As stated in the letter of the political secretariat of the E. C. C. I. of March 16, 1930, the Communists must "unreservedly carry on a struggle" for the self-determination of the Negro population in the Black Belt in accordance with what has been set forth above. It is incorrect and harmful to interpret the Communist standpoint to mean that the Communists stand for the right of self-determination of the Negroes only up to a certain point but not beyond this—to, for example, the right of separation. It is also incorrect to say that the Communists are only to carry on propaganda or agitation for the right of self-determination but not to

develop any activity to bring this about. No; it is of the utmost importance for the Communist Party to reject any such limitation of its struggle for this slogan. Even if the situation does not yet warrant the raising of the question of uprising, one should not limit oneself at present to propaganda for the demand "right to self-determination" but should organize mass actions, such as demonstrations, strikes, tax-boycott movements, etc.

Moreover, the party cannot make its stand for the slogan dependent upon any conditions, even the condition that the proletariat has the hegemony in the national revolutionary Negro movement or that the majority of the Negro population in the Black Belt adopts the soviet for (as PEPPER demanded), etc. It goes without saying that the Communists in the Black Belt will and must try to win over all working elements of the Negroes, that is, the majority of the population, to their side and to convince them not only that they must win the right of self-determination but also that they must make use of this right in accordance with the Communist program. But this cannot be made a condition for the stand of the Communists in favor of the right of self-determination of the Negro population. If, or so long as, the majority of this population wishes to handle the situation in the Black Belt in a different manner from that which we Communists would like, its complete right to self-determination must be recognized. This right we must defend as a free democratic right.

8. In general, the Communist Party of the United States has kept to this correct line recently in its struggle for the right of self-determination of the Negroes, even though this line—in some cases—has been unclearly or erroneously expressed. In particular, some misunderstanding has arisen from the failure to make a clear distinction between the demand for "right of self-determination" and the demand for governmental separation, simply treating these two demands in the same way. However, these two demands are not identical. Complete right to self-determination includes also the right to governmental separation, but does not necessarily imply that the Negro population should make use of this right in all circumstances; that is, that it must actually separate or attempt to separate the Black Belt from the existing governmental federation with the United States. If it desires to separate, it must be free to do so; but if it prefers to remain federated with the United States, it must also be free to do that. This is the correct meaning of the idea of self-determination, and it must be recognized quite independently of whether the United States is still a capitalist state or whether a proletarian dictatorship has already been established there.

It is, however, another matter if it is not a case of the right of the oppressed nation concerned to separate or to maintain governmental contact; but if the question is treated on its merits, whether it is to work for State separation, whether it is to struggle for this or not. This is another question, on which the stand of the Communists must vary according to the concrete conditions. If the proletariat has come into power in the United States, the Communist Negroes will not come out for, but against, separation of the Negro republic from federation with the United States. But the right of the Negroes to governmental separation will be unconditionally realized by the Communist Party; it will unconditionally give the Negro population of the Black Belt freedom of choice even on this question. Only when the proletariat has come into power in the United States the Communists will carry on propaganda among the working masses of the Negro population against separation in order to convince them that it is much better and in the interest of the Negro nation for the Black Belt to be a free republic, where the Negro majority has complete right of self-determination but remains governmentally federated with the great proletarian republic of the United States. The bourgeois counterrevolutionists, on the other hand, will then be interested in boosting the separation tendencies in the ranks of the various nationalities in order to utilize separatist nationalism as a barrier for the bourgeois counterrevolution against the consolidation of the proletarian dictatorship.

But the question at the present time is not this. As long as capitalism rules in the United States the Communists cannot come out against governmental separation of the Negro zone from the United States. They recognize that this separation from the imperialist United States would be preferable, from the standpoint of the national interests of the Negro population, to their present oppressed state, and therefore the Communists are ready at any time to offer all their support if only the working masses of the Negro population are ready to take up the struggle for governmental independence of the Black Belt. At the present time, however, the situation in the national struggle in the South is not such as to win mass support of the working Negroes for this separatist struggle; and it is not the task of Communists to call upon them to separate without taking into consideration the existing situation and the desires of the Negro masses.

The situation in the Negro question in the United States, however, may undergo a radical change. It is even probable that the separatist efforts to obtain complete State independence of the Black Belt will gain ground among the Negro masses of the South in the near future. This is connected with the prospective sharpening of the national conflicts in the South, with the advance of the national revolutionary Negro movement, and with the exceptionally brutal Fascist aggressiveness of the white exploiters of the South, as well as with the support of this aggressiveness by the Central Government authority of the United States. In this sharpening of the situation in the South, Negro separatism will presumably increase, and the question of independence of the Black Belt will become the question of the day. Then the Communist Party must also face this question and, if the circumstances seem favorable, must stand up with all strength and courage for the struggle to win independence and for the establishment of a Negro republic in the Black Belt.

9. The general relation of Communists to separatist tendencies among the Negroes, described above, cannot mean that Communists associate themselves at present, or generally speaking, during capitalism, indiscriminately and without criticism with all the separatist currents of the various bourgeois or petty bourgeois Negro groups. For there is not only a national revolutionary, but also a reactionary Negro separatism for instance that represented by Garvey. His Utopia of an isolated Negro state (regardless of whether in Africa or America, if it is supposed to consist of Negroes only) pursues only the political aim of diverting the Negro masses from the real liberation struggle against American imperialism.

It would be a mistake to imagine that the "right of self-determination" slogan is a truly revolutionary slogan only in connection with the demand for complete separation. The question of power is decided not only through the demand of separation, but just as much through the demand of the right to decide the separation question and self-determination in general. A direct question of power is also the demand of confiscation of the land of the white exploiters in the South, as well as the demand of the Negroes that the entire Black Belt be amalgamated into a state unit.

Hereby every single fundamental demand of the liberation struggle of the Negroes in the Black Belt is such that—if once thoroughly understood by the Negro masses and adopted as their slogan—it will lead them into the struggle for the overthrow of the power of the ruling bourgeoisie, which is impossible without such revolutionary struggle. One cannot deny that it is just possible for the Negro population of the Black Belt to win the right of self-determination during capitalism; but it is perfectly clear and indubitable that this is possible only through successful revolutionary struggle for power against the American bourgeoisie, through wresting the Negroes' right of self-determination from American imperialism. Thus the slogan of right to self-determination is a real slogan of national rebellion which, to be considered as such, need not be supplemented by proclaiming struggle for the complete separation of the Negro zone, at least not at present. But it must be made perfectly clear to the Negro masses that the slogan "Right to self-determination" includes the demand of full freedom for them to decide even the question of complete separation. We demand freedom of separation, real right of self-determination, wrote Lenin, "certainly not in order to 'recommend' separation, but on the contrary, in order to facilitate and accelerate the democratic rapprochement and unification of nations." For the same purpose Lenin's party, the Communist Party of the Soviet Union, bestowed after its seizure of power on all the peoples hitherto oppressed by Russian Tsarism, the full right to self-determination, including the right of complete separation, and achieved thereby its enormous successes with regard to the democratic rapprochement and voluntary unification of nations.

10. The slogan for the right of self-determination and the other fundamental slogans of the Negro question in the Black Belt do not exclude but rather presuppose an energetic development of the struggle for concrete partial demands linked up with the daily needs and afflictions of wide masses of working Negroes. In order to avoid, in this connection, the danger of opportunist backsliding, Communists must above all remember this:

(a) The direct aims and partial demands around which a partial struggle develops are to be linked up in the course of the struggle with the revolutionary fundamental slogans brought up by the question of power, in a popular manner corresponding to the mood of the masses. (Confiscation of the big landholdings, establishment of governmental unity of the Black Belt, right of self-determination of the Negro population in the Black Belt.) Bourgeois-socialist tendencies to oppose such a revolutionary widening and deepening of the fighting demands must be fought.

(b) One should not venture to draw up a complete program of some kind or a system of "positive" partial demands. Such programs on the part of petty bourgeois politicians should be exposed as attempts to divert the masses from the necessary hard struggles by fostering reformist and democratic illusions among them. Every positive partial demand which might crop up is to be considered from the viewpoint of whether it is in keeping with our revolutionary fundamental slogans or whether it is of a reformist or reactionary tendency. Every kind of national oppression which arouses the indignation of the Negro masses can be used as a suitable point of departure for the development of partial struggles, during which the abolition of such oppressions, as well as their prevention through revolutionary struggle against the ruling exploiting dictatorship, must be demanded.

(c) Everything should be done to bring wide masses of Negroes into these partial struggles. This is important—and not to carry the various partial demands to such an ultraradical point that the mass of working Negroes are no longer able to recognize them as their own. Without a real mobilization of the mass movements—in spite of the sabotage of the bourgeois reformist Negro politicians—even the best Communist partial demands get hung up. On the other hand, even some relatively insignificant acts of the Ku Klux Klan bandits in the Black Belt can overcome the occasion of important political movements, provided the Communists are able to organize the resistance of the indignant Negro masses. In such cases mass movements of this kind can easily develop into real rebellion. This rests on the fact that, as Lenin said, "Every

act of national oppression calls forth resistance on the part of the masses of the population, and the tendency of every act of resistance on the part of oppressed peoples is the national uprising."

(d) Communists must fight in the forefront of the national liberation movement and must do their utmost for the progress of this mass movement and its revolutionization. Negro Communists must clearly dissociate themselves from all bourgeois currents in the Negro movement, must indefatigably oppose the spread of the influence of the bourgeois groups on the working Negroes. In dealing with them they must apply the Communist tactic laid down by the Sixth C. I. Congress with regard to the colonial question, in order to guarantee the hegemony of the Negro proletariat in the national liberation movement of the Negro population, and to coordinate wide masses of the Negro peasantry in a steady fighting alliance with the proletariat.

(e) One must work with the utmost energy for the establishment and consolidation of Communist Party organizations and revolutionary trade unions in the South. Furthermore, immediate measures must be taken for the organizations of proletarian and peasant self-defense against the Ku Klux Klan. For this purpose the Communist Party is to give further instructions.

11. It is particularly incumbent on Negro Communists to criticize consistently the half-heartedness and hesitations of the petty-bourgeois national-revolutionary Negro leaders in the liberation struggle of the Black Belt, exposing them before the masses. All national reformist currents as, for instance, Garveyism, which are an obstacle to the revolutionization of the Negro masses, must be fought systematically and with the utmost energy. Simultaneously, Negro Communists must carry on among the Negro masses an energetic struggle against nationalist moods directed indiscriminately against all whites, workers as well as capitalists, Communists as well as imperialists. Their constant call to the Negro masses must be: Revolutionary struggle against the ruling white bourgeoisie, through a fighting alliance with the revolutionary white proletariat. Negro Communists must indefatigably explain to the mass of the Negro population that even if many white workers in America are still infected with Negrophobia, the American proletariat, as a class, which, owing to its struggle against the American bourgeoisie, represents the only truly revolutionary class, will be the only real mainstay of Negro liberation. Insofar as successes in the national-revolutionary struggle of the Negro population of the South for its right to self-determination are already possible under capitalism, they can be achieved only if this struggle is effectively supported by proletarian mass actions on a large scale in the other parts of the United States. But it is also clear that "only a victorious proletarian revolution will finally decide the agrarian question and the national question in the South of the United States, in the interest of the predominating mass of the Negro population of the country" (Colonial Thesis of the Sixth World Congress).

12. The struggle regarding the Negro question in the North must be linked up with the liberation struggle in the South, in order to endow the Negro movement throughout the United States with the necessary effective strength. After all, in the North, as well as in the South, it is a question of the real emancipation of the American Negroes, which has in fact never taken place. The Communist Party of the United States must bring into play its entire revolutionary energy, in order to mobilize the widest possible masses of the white and black proletariat of the United States, not by words but by deeds, for real effective support of the struggle for the liberation of the Negroes. Enslavement of the Negroes is one of the most important foundations of the imperialist dictatorship of United States capitalism. The more American imperialism fastens its yoke on the millions-strong Negro masses the more must the Communist Party develop the mass struggle for Negro emancipation, and the better use it must make of all conflicts which arise out of the national difference as an incentive for revolutionary mass actions against the bourgeoisie. This is as much in the direct interest of the proletarian revolution in America. Whether the rebellion of the Negroes is to be the outcome of a general revolutionary situation in the United States, whether it is to originate in the whirlpool of decisive fights for power by the working class, for proletarian dictatorship, or whether, on the contrary, the Negro rebellion will be the prelude of gigantic struggles for power by the American essential for the Communist Party to make an energetic beginning now—at the present moment—with the organization of joint mass struggles of white and black workers against Negro oppression. This alone will enable us to get rid of the bourgeois white chauvinism which is polluting the ranks of the white workers in America, to overcome the distrust of the Negro masses caused by the inhuman barbarous Negro slave traffic still carried on by the American bourgeoisie—inasmuch as it is directed even against all white workers—and to win over to our side these millions of Negroes as active fellow fighters in the struggle for the overthrow of bourgeois power throughout America.

Mr. BILBO. Mr. President, I wish I had the time and patience to read to the Senate what I have just had inserted. But I have put it into the RECORD so that the people of the country may know just what the leaders of the Communist Party are thinking about and are dreaming of accomplishing in the South. When any political party advances the proposal to go to the South and take advantage of 8,000,000 Negroes and organize them and encourage and incite them to revolution, holding out to them the hope that they will be able to take the white man's land away from him and elect the officers—which is all covered in this resolution—and control the making of the laws and control the Government, the people of the country should know it. They emphasize the fact that the South should be dedicated and set aside as the Black Belt of America, and that the Negro should be put in control of that entire territory. That is the Communist program in the South. Of course, that is a dream. Some Negroes will fall for it, but there will be a sad awakening if the attempt is made to put it into effect.

Since this debate on the antilynching bill has been in progress I announced that I had received a petition from a very wonderful lady of my State, who is the head of the antilynching organization of Mississippi, asking if I would give my aid in doing whatever I could to put a stop to lynching in the State, and I am glad to announce to the Senate and to the country that while in Mississippi we have laws providing for the removal from office and prosecution of any sheriff who would wink at mob violence or a lynching, yet we are attempting to fortify, to make stronger the law, and I now ask permission to include as part of my remarks at this point, without affecting my position on standing, a bill which has just been introduced in the Mississippi Legislature imposing a heavy penalty upon one who is guilty of lynching or any sheriff who would wink at it. This measure provides a heavier penalty than the bill we now have under consideration here.

The PRESIDING OFFICER. The Senator from Mississippi asks unanimous consent that a certain matter may be printed in the RECORD without prejudicing his right to the floor. Is there objection? The Chair hears none, and it is so ordered.

The bill referred to is as follows:

An act to define lynching and to provide penalties therefor, and for other purposes

MOBS AND LYNCHING DEFINED

SECTION 1. *Be it enacted by the Legislature of the State of Mississippi*—That a collection of people, assembled for the purpose and with the intention of committing an assault and/or battery upon any person and without authority of law, shall be deemed a "mob" for the purpose of this act; and any act of violence by a "mob" upon the body of any person, which shall result in the death of such person, shall constitute a "lynching" within the meaning of this act.

LYNCHING DEEMED MURDER

SEC. 2. The "lynching" of any person within this State by a "mob" shall be deemed murder, and any and every person composing a "mob" and any and every accessory thereto, by which any person is lynched, shall be guilty of murder, and upon conviction, shall be punished as provided by law.

ASSAULT AND BATTERY BY MOB CONSTITUTES FELONY

SEC. 3. Any and every person composing a "mob" which shall commit an assault and/or battery upon any person without authority of law, shall be guilty of a felony, and upon conviction, shall be confined in the penitentiary for not less than 1 year nor more than 10 years: *Provided, however*, That if such injury shall result in the death of such person, each and every principal and accessory of such "mob," and accessory thereto, shall be guilty of murder, and, upon conviction, shall be punished as provided by law.

DUTY OF DISTRICT ATTORNEY IN COUNTY WHERE LYNCHING OCCURRED

SEC. 4. It shall be the duty of the attorney for the district or city in which a "lynching" may occur, to promptly and diligently endeavor to ascertain the identity of the persons who in any way participated therein, or who composed the "mob" which perpetrated the same, and have them apprehended, and to promptly proceed with the prosecution of any and all persons so found; and to the end that such offenders may not escape proper punishment, such district attorney may be assisted in all such endeavors and prosecutions, by the attorney general, or other prosecutors designated by the Governor for the purpose; and the Governor shall have full authority to spend such sums out of his contingent fund as he may deem necessary for the purpose of seeking out the identity, and apprehending the members of such guilty "mob."

CIVIL LIABILITY FOR LYNCHING

SEC. 5. Nothing herein contained shall be construed to relieve any member of any such mob from civil liability to the personal representative of the victim of such lynching.

PERSONS SUFFERING DEATH FROM MOB ATTEMPTING TO LYNCH ANOTHER PERSON

SEC. 6. Any person suffering death from a mob attempting to lynch another person, shall come within the provisions of this act,

and his personal representatives shall be entitled to relief in the same manner and to the same extent as if he were the originally intended victim of such mob.

JURISDICTION

SEC. 7. Jurisdiction of all actions and prosecutions under any of the provisions of this act, shall be in the circuit court of the county wherein a lynching may occur.

SEC. 8. That this act shall take effect and be in force from and after its passage.

Mr. BILBO. Mr. President, in this morning's mail I received a letter from a distinguished citizen of Washington in which he enclosed an article which he has prepared for publication on the question I have been urging before the Senate—the question of repatriation—and I desire to read it into the RECORD, because it is an exceedingly able document. It was published in the Southern Churchman of July 15, 1919:

WILL EDUCATION SOLVE THE RACE PROBLEM?

(By M. D. Carter)

In a recent issue of one of our leading southern journals, under the caption "Better Negro Schools," occurred a statement which will, I think, have a tendency to mislead public opinion, becloud one of the gravest issues right now before the country, and strengthen the common fallacy that education will eventually solve the race question and make the Negro an assimilable element in the national life of this country.

That is a thought which I desire to burn home into the minds of my hearers and the minds of the readers of the Nation, and in the mind of every citizen of this country. There are a few misguided educators, so-called, negrophilists, or Negro lovers, sociologists, philanthropists, Christian fanatics, who have an idea that by educating the Negro he can be made the equal of the white man. The difference betwixt the white man and the Negro is not because of the color of the skin. The difference is the difference in the intellect, in the brain, in the mind, in that something in the mind that will be found in the Anglo-Saxon, in the Caucasian race, that mysterious force which has made the white man throughout all time the leader, which has made his race the superior race, the ruling race, the race of creative power, the race of art, the race of literature, the race of music that moves the soul. President Theodore Roosevelt said that within 50 years the Negro melodies of the South will be considered the classic music of America. He never made a greater mistake in his life. But I wish to drive home to Senators and to the country that education will not make the change. The difference between the races comes from something that is inborn.

I read further from Mr. Carter's article:

I refer to the following extract: "Taking $100 as the yearly production of the uneducated Negro, the bulletin gives a careful estimate of the financial loss to the State * * * The State also bears its share of soil devastation in the South where 100,000,000 acres are cultivated by Negro farmers, tenants, and laborers, most of whom have never been taught the rudiments of successful agriculture."

The acreage given above covers approximately the entire arable acreage of the South, and this statement leads fairly to the conclusion that all the farm work in the South is done by Negroes and that an educated Negro is a more efficient farm hand than an uneducated one. These inferences are not borne out by the facts.

In the last census report it was stated that only three-tenths of the farm work was at that time being done by Negroes; the remaining seven-tenths being done by white labor.

Many of the negrophilists have been charging that we white farmers of the South have reduced the Negro to slavery and that he is in peonage. Senators have been reading a good deal of "rot" like that issued by some of the Communist leaders and newspapers of the North. I have here statistics which show that three-tenths of the farm labor of the South is done by the Negroes, and the balance is performed by the white people of the South.

Let us bear in mind that it is now nearly 9 years since the last census report was made, and since that time there has been a steady and ever-increasing exodus of the Negro from the country to the city; so it is doubtful if now even two-tenths of the farm work is done by him.

In other words, when the Negro is educated he cannot be kept on the farm. He is then caught in the spell of the bright lights of the city. The close union he has with others in the congested city life, and the noise and the music of the city, calls him as soon as he is educated, whether he is educated to be a farmer or something else. He leaves the farm and goes to the city. It is not possible to keep him on the farm.

I read in a recent Philadelphia paper that in 3 months over 20,000 Negroes had come to that city alone, that the authorities were taxed to the uttermost to provide for them, but still they continued to come. Now I do not say that a Negro could not be made a more productive farmer if given special training for his work, but I do say that the present education given him in the country schools rather impairs than increases his efficiency on the farm. I live in an agricultural district and come in contact with Negro farm workers, and my experience leads fairly to this conclusion. But even giving him a special agricultural education would not assist in the solution of this question if he refuses to live on the farm or decides to go to the city, which he is evidently doing very rapidly; so in considering this problem we are forced to think of it in the main as a city problem.

In other words, the Negro is rapidly leaving the farm. On my little farm, out of twenty-odd tenants or families, I think three are Negro. It is a hard matter to get the Negro to stay on the farm. Once you educate him and give him a little vision, he goes to the city or to the town. That is happening all through this country. They are segregated and piled up, 15 or 20 in a one-room house in town, living off the W. P. A. That is true all over this country, especially in the South. They have quit work. They have "taken out." They have called it a day—"the end of a perfect day."

Will education solve, or help to solve, our city race problem, which will soon be the only phase of it with which we will have to deal? I question it. In all of our cities the Negro has the same educational advantages as his white neighbor. Has this lessened the friction between the races? As he becomes more highly educated, does his race pride increase, and make him willing to develop along race lines and become the highest exponent of his own race? Does it not rather make him more anxious to force his presence on his reluctant white neighbors? Witness what is going on right now in Baltimore and Washington and other cities, how he is constantly becoming more aggressive as he becomes better educated.

In other words, as the Negro is educated, it seems he becomes more desirous of amalgamation with the whites.

Witness how the whites move out as the Negroes move into a neighborhood, how real-estate values decrease as the Negro population increases. Witness the frantic efforts being made by the Equal Rights League for the abolition of the Jim Crow laws and all other restrictions that permit the white race to flock by itself, if it wishes. Witness also the action of the returned Negro soldiers forcing themselves into white restaurants, and the resulting riotings. This does not augur well for the happiness of either race.

That reminds me of a story about a couple of Negroes who went to France, where they were received socially by the French women. On their way back to America, one Negro said:

"Do you know what I'se goin' to do when I gets back to America?"

"What are you goin' to do?"

"I is goin' to get me a white gal, and I is goin' to the theater, I is goin' to church, I is goin' to picnics, and I is goin' to have the time of my life."

The other Negro said:

"I'll tell you what I is goin' to do."

"What is you goin' to do?"

"I is goin' to buy me a long-tailed coat, and get me some white gloves and a beaver hat."

"What is you goin' to dress up that-a-way for?"

"I is fixing to go to your funeral." [Laughter.]

That is what is happening in the cities now. The Negroes are pushing in as they become more and more educated. I think we have just about performed our Christian duty to them, and it is now time that the education and culture imposed on the Negroes in America by the white race be utilized by the Negroes in settling a country of their own in Africa. I think they are ready to go.

How does the educated Negro propose to solve this problem? Listen to the faith of a few of them: A distinguished Negro college professor recently expressed himself as to the future of the American Negro, in one of our great periodicals as follows:

"All race prejudice will be eradicated. Physically the new race will be much stronger than either the white or black race. It will be endowed with a higher intelligence and a clearer concep-

tion of God than the whites of the West have ever had. It will be much less material than the American white of today. It will be especially concerned with the things of the mind and moral excellence will become the dominant factor in the life of the new nation. The new race is to gain more from the black element than from the white."

I wonder how some of our white negrophilists feel about that statement. The "theme song" of this future brown race is just what I have read. I am reading from the statement of one of the leading Negro intellectuals in the United States. I read it again:

All race prejudice will be eradicated.

I notice my good Methodist friends had a meeting in Chicago the other day. As a part of their program all race prejudice was to be eradicated and civil rights enforced.

Physically the new race will be much stronger than either the white or black race.

That is what the Negro thinks when he mixes with the whites by cross-breeding.

It will be endowed with a higher intelligence and a clearer conception of God than the whites of the west have ever had. It will be much less material than the American white of today.

Contact some of our "high browns" and see if that statement is true. This is the way that state of mind is working:

It will be especially concerned with the things of the mind, and moral excellence will become the dominant factor in the life of the new nation. The new race is to gain more from the black element than from the white.

How do the negrophilists feel about that statement? The college professor I mentioned is referring to the new brown race which will be the result of amalgamation of the two races living side by side. This prominent Negro says that as the result of the amalgamation of the two races, the new race will get more from the black man than it gets from the white man.

Professor DuBois, author of The Souths of Black Fork, undoubtedly believes this. Charles W. Chestnut, the Negro novelist, believes in amalgamation. Professor Kelly, of Washington, believes in it. In an article written sometime ago, he declares:

"It is, of course, impossible to conceive of two races occupying the same area, speaking the same language, worshiping according to the same ritual, and endowed with the same political and civil privileges, without ultimately fusing. Social equality is not an individual matter, as many contend, but is rigorously under the control of public sentiment."

That is what Negro Kelly, of Washington, says. I want to read that again for the benefit of some Washingtonians:

It is, of course, impossible to conceive of the two races occupying the same area—

Washington—

speaking the same language—

Washington—

worshiping according to the same ritual—

Washington—

and endowed with the same political and civil privileges—

Washington—

without ultimately fusing.

That means intermarriage, interbreeding, coalescing, complete blending. Then there will be produced the yellow race, of which many of those living today will be in part the paternal and maternal originators.

Booker Washington was too wise to express his real sentiments on this subject for fear it would put an end to his career in the South, yet he who reads between the lines of his written and spoken words will find the same purpose and the same faith which his more blunt and fearless brethren have honestly and boldly proclaimed. He shows this in his worship of Frederick Douglass. In his book, The Future of the American Negro, we find this careful statement:

"To state in detail just what place the black man will occupy in the South as a citizen is beyond the wisdom of anyone."

Booker Washington would not say it.

Again he says on page 66: "The Jew, who was once in about the same position as the Negro today, has now recognition because he has entwined himself about America in a business and industrial way."

On behalf of the Jew, I deny that statement. Some of the greatest citizens of this Republic and some of the greatest benefactors of the human race have been of Jewish extraction. They came from the Caucasian strain, and were of Caucasian blood. They were white people.

His conclusion is obvious. The absurdity of the comparison, however, is the important point in this sentence, not only for the pathetic ignorance of history it displays, but for the revelation of the writer's secret hopes and dreams.

Are we willing to accept the educated Negro's solution of this problem? Are we willing to solve our race problem as Central America has solved hers? If not, is it not high time for the consipracy of silence on this subject to be broken, and for us to let him know frankly our position, and to seek, before conditions become too acute, some other solution?

Since the War between the States this country has spent about $1,000,000,000 on the education of the Negro, and if this education has increased the friction between the races, as it seems at first sight to have done, it looks discouraging; but there are some indications right now that we have been building wiser than we knew when we spent this immense sum on him, for the education that is a liability for him in this country, that unfits him for peaceful assimilation here, may be an asset to him somewhere else.

I quote below some very significant extracts from recent periodicals, which open up a vast vista of possibilities for the educated Negro, and that point to a solution of this vexed question, in the interests of both races, a solution that will give the educated Negro a broad scope for all his talents—an opportunity to be of untold use to his own race, both industrially and spirtually, which will also help us to solve the biggest and most difficult item in our 5-year missionary program, i. e., the evangelization of Africa, and eventually and gradually leave the United States free for the Caucasian races.

CHANCE TO EMIGRATE

"TUSKEGEE, ALA., December 1.—President Robert R. Moton, of Tuskegee Normal and Industrial Institute, who was called to Washington last week for a conference with President Wilson and Secretary of State Lansing, sailed for France today, according to a telegraphic despatch here this evening. Professor Moton goes on a special mission for the Government.

"January 25. 'Judging from a close observation of the daily proceedings of the Peace Commission, now in session in Paris, it appears that the grand dream of the American Negro, "A mule and 40 acres," may at last be realized.' Thus spoke a prominent official of the Federal Government yesterday at his office in the customhouse * * * 'I do not really know what to term it,' he resumed, 'but you will doubtless recall that at the Peace Conference the proposition has been made that something more than 3,000,000 square miles of territory in South Africa will be opened and devoted to the settlement of the colored persons who are now residents of the United States and other points.'

"Here, then, is the one grand opportunity for the Negro race to emigrate to the 'Promised Land.' In the great expanse of fertile fields in unexplored Africa, their future rests entirely in their own hands."

Extracts from a letter written in a New York paper by a Presbyterian missionary living in Liberia:

Now, listen to this:

"Rev. Dr. Cassell, president of the College of Liberia, has been touring the States, pleading the interests of that Negro republic. He says that Africa, in the readjustment which is now taking place at the world's great conference, is going to be assigned its proper place; and its people are to be no longer exploited, but that justice and fair play will be established there.

"He says that God places a duty upon Afro-Americans, to whom He has given such wonderful opportunities, to go into Africa and build it up and establish their democracy in religion, in politics, in sociology, and to prove Liberia to be the open door to democracy."

Thus it seems that the education given the Negro may have been really the first step in God's plan for his repatriation, and later his use as an instrument for the industrial development and evangelization of his own race and continent. Also, the realization of the plan of the southern Protestant denominations, who in antebellum days worked so indefatigably for his industrial and spiritual development. This may mean also a fulfillment, at last, of the prayer and hope of the highest spiritual exponent of the Negro race in this country, Bishop Henry M. Turner (of Georgia).

Mr. President, I wish to read for the delectation and gratification of the Senate a copy of resolutions adopted on January 20, 1938, by Branch 2, Communist Party, 114 Lexington Avenue, New York City.

RESOLUTION ON WAGNER-VAN NUYS ANTILYNCHING BILL

JANUARY 20, 1938.

At a meeting of Branch 2 of the Communist Party of the United States of America attended by members, friends, and neighbors of the Twelfth Assembly District, Manhattan, the following resolution was passed.

Whereas, the reactionary filibuster of the 11 Senators who are leading the shameful fight against the Wagner-Van Nuys antilynching bill is a criminal sabotage of the democratic rights, not only of the Negro people, but of the rights of the entire American people; and

Whereas, the passage of the Van Nuys-Wagner antilynching bill is of vital importance in order to preserve elementary human and civil rights as guaranteed by the thirteenth, fourteenth, and fifteenth amendments of the Constitution of the United States, for the Negro people, rights which are daily being flouted, as witnessed by the hundreds of lynchings which have taken place in this country, and which are a blot on the democratic traditions of this country, and

Whereas, the cynical behavior of the 11 Senators in supporting the filibuster is a shocking action which does not express the sentiments of the working and liberty-loving people of this country;

I wonder what a Communist knows about "liberty-loving"?

Therefore be it

Resolved, That we, the members of Branch 2 of the Communist Party of the United States of America go on record—

Mr. CONNALLY. Mr. President, may we have order in the Senate while the Senator from Mississippi is reading the resolution adopted by the Communist Party denouncing some of the Members of the Senate?

The PRESIDING OFFICER rapped with his gavel.

Mr. BILBO. I thank the Senator from Texas for the silence I should like to have while I read the "resoluting" part of this resolution.

Therefore be it

Resolved, That we, the members of Branch 2 of the Communist Party of the United States of America go on record as strongly supporting this bill; and be it further

Resolved, That since the Communist Party has always been in the forefront of the fight for Negro and other minority group rights and against all forms of racial intolerance and bigotry, that we demand the immediate cessation of the filibuster against this bill and urge that everything possible be done for its speedy passage.

BRANCH 2, COMMUNIST PARTY,
114 Lexington Avenue, New York City.

There is an example of the Russian Government in action in America.

I wish now I had read the resolution adopted by the Communist meeting in Philadelphia, but I have put it in the RECORD so that the people of the country may read it in the light of the resolution I have just read attacking those of us on the floor of the Senate who are trying to conserve, preserve, save, and pass on an unravished Constitution to our children and our children's children by defeating the efforts of some of our friends to pass a measure that would destroy the dual scheme of government in this country.

Mr. President, as the hour of taking a recess is approaching, I wish to make some observations off the immediate subject pending before the Senate. I have sufficient material to enable me to discuss this question for about 60 days, as I promised, but some things have happened recently to which I should like to advert for a few moments.

Mr. LEWIS. Mr. President, may I ask the able Senator from Mississippi, in view of the resolution he has just read, coming from those who call themselves Communists and making allusion to actions here in the Senate, and particularly allusion to the Negro as being a political protégé of their own, has the Senator had put before him some of the resolutions in which the Negroes themselves have condemned this attempt upon the part of the Communists and in which they have renounced the Communists as being their representatives?

Mr. BILBO. I am sorry to say, in response to the Senator, that I have not; I have no such resolutions; and I seriously doubt whether there are any in existence, because I think the private organization that is operating in this country is making considerable headway in enlisting the sympathy of a certain element of the Negro population for the Communist set-up in our land. It might be worth our while to do a little investigating. I put into the RECORD a letter from a gentleman in New York who gave me the names of the persons who were in position to give us the basis upon which the investigation may be made and the truth be brought to the attention of the country.

The extraneous matter to which I wish to direct the attention of the Senate for a minute is the proposed boycotting of Japan by American citizens through their refusing to buy or wear any silk hosiery or silk wearing apparel.

I do not hesitate to state as a Senator that my sympathies are entirely with the Chinese in their fight against the aggressions and conquest of their more fortunate neighbors, the Japanese—who, by the way, have during the past 60 years adopted the ideas of the western man, and imbibed his culture and civilization, and taken advantage of his creative genius. They are using his machinery, his ammunition, and his guns to carry on their conquest of China.

Ordinarily I should say that I should be in sympathy with the boycott against Japan, in the refusal of Americans to wear silk hosiery or silk apparel of any kind. But, as has been said, there are two sides to that question, and I desire to call the attention of the Senate to the other side. I thought I had the material with me, but I seem to have left it at my office; there is so much of it.

The manufacturers of silk wearing apparel in this country and the manufacturers of silk hosiery have considerable money invested in the industry. They buy only the raw silk in bales from the Japanese. Here, in this country, it is twisted together and made into the thread that is used in the manufacture of the hosiery, the silk wearing apparel, and so forth. In other words, it requires expensive machinery and considerable investment on the part of the American manufacturer to get ready to handle the manufacture of silk in this country. Not only would a boycott of silk products be a hardship on our citizens who have so much money invested in this specially designed machinery for weaving and manufacturing hosiery out of silk, but there are 75,000 or 100,000 citizens of this country who through a number of years have been trained to operate this particular kind of machinery, and are engaged in the manufacture of silk hosiery and silk fabrics. Therefore, there are two sides to the question, and while we may be able to affect the Japanese in his finances—and that is the attempt; that is where we are trying to strike him and cripple him—by not buying his raw silk, while we are doing that we shall be destroying very valuable industries of our own, and putting out of employment a great many of our own people. God knows we now have enough unemployment in this country, and I doubt whether we shall do the Japanese very much harm in proportion, because the amount of actual Japanese money represented by a pair of silk stockings is only about 10 cents. If you pay 85 cents for the pair of stockings, the Jap has gotten only 10 cents out of it, and 75 cents goes to the American industrialist and to American labor. In other words, we get the raw silk very cheaply.

I should be willing to join in any movement and to encourage any movement which would make it impossible for Japan to carry on its war of aggression in China, because I think it is cruel. It is heartless. It is inexcusable. I know that as a result of this war of aggression there have been brought about complications that do not speak well for the relationship between this country and Japan. I know there is a feeling and a strained relation, possibly, as the result of sinking the *Panay*, and also as the result of slapping the face of one of our representatives in the Far East; and there is a possibility of other complications unless we get our forces out of the disturbed territory in the Far East.

I desire to take this occasion to state that I have no patience with the resolution which was read earlier in the day, whereby an attempt is to be made to ask the Secretary of State to reveal to the Senate the delicate international relationships which sometimes exist, the inference being left that we are on our way to war. I think there is nothing to it. It is a scarecrow. It is a false alarm. It is a play of politics. It is the kind of play that does not speak well for the country, and is not good for the country.

I am willing to trust the Secretary of State and the President and the others in authority to do everything that is humanly and governmentally possible to keep this country out of war. There is no intention of engaging in war just because the President has asked for $800,000,000 to build

us an adequate Navy for our defense. On the other hand, I have no patience with the pacifists who are all the time trying to sabotage any scheme or any effort that is made to give us the best army and the best navy on the face of the earth. I am in favor of that kind of navy and that kind of army; and I should be glad to add a couple of hundred million dollars to the appropriation to build more airplanes and bombing planes in this program of $800,000,000 for the Navy, and the necessary vessels that go with the warships. Not enough airplanes are provided for.

In other words, so far as the pacifists are concerned, I want to put myself on record once for all as being in favor of the United States having the biggest, strongest army and navy of any nation on earth. Then we shall be respected. Then we shall not be insulted. Then our ships will not be sunk. Then our officials abroad, representing the American flag, will not be slapped in the face by some greasy oriental.

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

The PRESIDING OFFICER (Mr. ELLENDER in the chair). Does the Senator from Mississippi yield to the Senator from North Carolina?

Mr. BILBO. I shall be glad to yield.

Mr. REYNOLDS. In order that I may intelligently propound to the Senator the question I have in mind, I should like to be privileged to preface the question with a statement.

Mr. BILBO. The Senator has my permission.

Mr. REYNOLDS. I think, under the rules, it will be perfectly permissible.

The PRESIDING OFFICER. The Senator from Mississippi may yield for a question to the Senator from North Carolina without losing the floor.

Mr. REYNOLDS. In view of the fact——

Mr. BILBO. It is understood I am not losing the floor.

Mr. CONNALLY. A point of order. I think the Chair ought to put the unanimous-consent request.

The PRESIDING OFFICER. Is there objection to the request of the Senator from North Carolina? The Chair hears none.

Mr. CONNALLY. That the Senator from North Carolina be allowed to interrupt the Senator from Mississippi without the Senator from Mississippi losing the floor.

Mr. BILBO. The Senator from North Carolina wishes to preface his question with a short declamation.

The PRESIDING OFFICER. The Chair hears no objection.

Mr. REYNOLDS. Mr. President, I have in mind a very excellent statement which my able colleague, the Senator from the State of Mississippi, has just made with reference to national defense. I am heartily in accord with all he has said in reference to the expenditure of money in sufficient amount to provide the United States of America a Navy unsurpassed by any in the world.

In view of the fact that we shall eventually be called upon, and at a not very distant date in the future, for appropriations for this purpose, I invite attention to the fact that the Aleutian Islands are a part and portion of the great Territory of Alaska, which we purchased from Russia for $7,200,000; that we are in a large sense protected on the Pacific, at least will be when we provide the proper naval and airplane bases in the northern section of the Pacific, that is to say, adjacent to our possessions there; that we have in a large sense a very fine protection in the Hawaiian Islands. In view of these facts, and the further consideration that we are well provided for by way of the Panama Canal, through which our fleet may pass from the Pacific to the Atlantic, does not the Senator think we should have other points of vantage in respect to bases on the Atlantic coast?

Of course, we have protection at the present time by way of the island of Cuba, and we are on friendly terms with Haiti, and the other republic which occupies a portion of the same island, the Dominican Republic. We are the possessors of the Virgin Islands, having bought them in 1916 for $25,000,000; but does not the Senator think that in addition to that protection in the South Atlantic we should have points of protection in the northern portion of the Atlantic, for instance, Bermuda, Bimini, and Nassau, which islands and 200 other smaller ones lie just a few hundred miles directly off the coast of my State of North Carolina? If we possessed these islands, I am of the opinion that we would be much better protected in the northern Atlantic than we are at the present time.

Does not the Senator think that the United States should likewise be protected by becoming the possessors perhaps of Halifax and of Newfoundland? Labrador, indeed, would be a little too far north.

I make these suggestions because one of these days the United States might have difficulty with a friendly nation, Great Britain. One can never tell what is going to happen, as the able Senator from Mississippi realizes. He recalls that we had some controversy with Great Britain in the Revolutionary days, in 1776, and again in 1812, and we cannot tell what is going to happen in the future.

In view of the fact that my very courteous colleague has provided me this opportunity, I respectfully suggest that if Great Britain wants to be friendly with us, if she wants the respect and the love of the American people, if Great Britain wants to show that she is on the "up and up," in other words, to use the everyday street parlance, that she is "on the level" with the people of the United States, I ask the able Senator from the State of Mississippi whether it would not be well for Great Britain to evidence that desire in a spirit of honesty and integrity by saying, "We shall be very happy, Uncle Sam, to turn over to you Bermuda, Nassau, Bimini, and other possessions in the North Atlantic, if you will be good enough to apply them on the $6,000,000,000 indebtedness we have owed you, for which we have the money to pay you now, but do not want to pay you."

I thank the able Senator from Mississippi.

Mr. BILBO. In response to the Senator's question, I should be perfectly willing to apply whatever amount was left upon the proposed purchase of the islands referred to after we have purchased enough territory in Africa to take care of 12,000,000 American Negroes. [Laughter.]

Going back now to the warfare upon the Japanese through a boycott, because of our sympathies for the Chinese nation, which is being harassed, invaded, oppressed, wrecked, and destroyed by the ambitious Japanese, I cannot say that I could approve of a boycott, of a declaration that we should not buy more silk hosiery or any more silk fabrics if made in this country, but I wish to make an observation and advance a suggestion which will go to the very heart of the Japanese nation, and we can accomplish our purpose in a very short time.

Anyone who knows anything about the production of silk by the silkworm, I am sure, would be convinced, if he would make an investigation, that in the southern part of the United States there is an ideal climate and an ideal territory for the growing of the silkworm and the production of silk. All we need is the silkworm and the mulberry tree, and the mulberry tree grows wild, grows in abundance, grows luxuriantly, and grows without limit in my home State and throughout the South. I am sure that the culture of the silkworm can be introduced into the Southern States, and that we can become a self-sufficient Nation so far as the need for silk is concerned in this country, and that we will not have to buy it from Japan.

Mr. President, we are in exactly that situation in the case of tung oil. The manufacturers of linoleum, of paint, of varnish, and of enamel, have been importing from China from ten to fifteen million dollars worth of tung oil for many years. In the last few years we discovered that there were certain sections along the Gulf of Mexico where the soil and climate were ideal for the growing of the tung nut tree. Within the last 6 years there have been planted in my native home county, Pearl River County, over a hundred thousand acres to the tung nut tree, and in that county we have the largest tung nut plantation in the whole world. In that county we have the largest crushing plant in the world for extracting the oil from the tung nut

after it is grown. I repeat, the tung nut is being produced in commercial quantities, and there seems to be no limit. In the next few years we will not have to go to the Far East to get tung oil for use in the manufacture of varnish and paint and linoleum in this country. If we can produce tung oil in this country, and the climate is congenial, and is adapted to its production, why can we not produce raw silk in the United States? It is a very simple process.

In Japan, where raw silk is produced, there are government-owned moth farms where the eggs are produced. The farmers go to a moth farm and buy the requisite number of eggs, which have been laid by the moth. They take the eggs to a local incubator, and after 6 or 8 days an egg hatches, and there emerges a tiny worm about the size of an ant. The eggs are put upon the shelves, stacked in the humble homes of the Japanese farmers, and for 20 days the little worm is fed mulberry leaves, which food is what is needed to grow the silkworm.

At the end of 20 days this little ant-sized bug has become 3½ inches long, is now the silkworm, and at the end of 20 days it begins to weave its cocoon, in which to store itself and undergo the period of transition and become the flitting, flying silken moth in the days to come.

At the end of the completion of the cocoon the humble Japanese farmer snatches his cocoon, dips it in hot water, and kills the worm before its transfiguration, or its day of resurrection, before it has a chance to rupture the cocoon. Then the cocoon is carried to the reelers, the factories, where girls with nimble fingers, with dexterity, find the end of the fine-spun filaments which the worm produces and emits from each side of his mouth, and seals together with a sericin. These girls find the ends of these filaments, they unweave the cocoon and wind the silk on a skein, and that is shipped to American as the raw silk.

Mr. President, it is a very simple process, and it is altogether feasible and possible in the United States, and there is no reason why, if we spend the millions of dollars suggested in trying to do something for the people, we should not inaugurate a project somewhere in the United States and encourage the growth and culture of the silkworm, and the production of raw silk in this country. In that way we can strike a death blow to that power which seems to have no respect for treaties, obligations, and the welfare of human beings in this country.

Mr. President, having been diverted for a moment from the pending measure, I wish to call the attention of the Senate and of the country to what is to my mind one of the ablest contributions to the question of the relationship between blacks and whites in the United States, an article written and published to the world in 1909 under the head "Is Friction Between Blacks and Whites in the United States Growing and Inevitable?" by Dr. Alfred Holt Stone.

Dr. Stone is one of the outstanding citizens of my State. He is now the distinguished chairman of all the taxing units of Mississippi. He has a doctor's degree from our State university. He has been a lecturer before all the leading universities of the country, and is without doubt one of the ablest students of the race question in America today. I want to call the attention of the Senate and of the country to this very splendid contribution to this very pertinent question. I read from his article:

On the evening of December 17, 1855, there assembled a gathering of the colored citizens of the city of Boston to do honor to a member of their race. The man was William C. Nell, a name familiar to students of Negro history. The occasion was the presentation to him of a testimonial of appreciation of his labors in behalf of the removal of the color line from the public schools of Boston. The event commemorated the crowning achievement of a purpose formed and work begun some 26 years before. It marked the close of a quarter-century of patient and unremitting struggle with established law and custom. The meeting was made memorable by the presence of such men as Wendell Phillips and William Lloyd Garrison, who rejoiced with their colored brethren that "the prejudice against color was dying out." This was the keynote of all the addresses made—the faith that the final surrender of this long-stormed citadel marked the passing of the prejudice of race.

Fifty-two years later, in November of the present year, a great concourse of Boston's colored citizens assembled in Faneuil Hall to protest against the steady and wide increase of race prejudice in America. The meeting was addressed by the gray-haired son of the great abolitionist, in tones which were far from sounding an echo of the hopeful, long-forgotten words of his father.

And after this more than half century of American advance in moral and intellectual and materials things we, too, have come together, in the free atmosphere of this academic seat, to consider coolly and dispassionately the causes which really lay behind these two meetings in Boston—farther apart in the spirit and in purpose than in time. We have come to inquire whether friction between the white and Negro races in America is growing and inevitable.

In the first place, what is race friction? To answer this elementary question it is necessary to define the abstract mental quality upon which race friction finally rests. This is racial "antipathy," popularly spoken of as "race prejudice." Whereas prejudice means a mere predilection, either for or against, antipathy means "natural contrariety," "incompatibility," or "repugnance of qualities." To quote the Century Dictionary, antipathy "expresses most of constitutional feeling and least of volition; it is a dislike that seems constitutional toward persons, things, conduct, etc.; hence it involves a dislike for which sometimes no good reason can be given." I would define racial antipathy then as a natural contrariety, repugnancy of qualities, or incompatibility between individuals or groups which are sufficiently differentiated to constitute what, for want of a more exact term, we call races. What is most important is that it involves an instinctive feeling of dislike, distaste, or repugnance, for which sometimes no good reason can be given. Friction is defined primarily as a "lack of harmony," or a "mutual irritation." In the case of races it is accentuated by antipathy. We do not have to depend on race riots or other acts of violence as a measure of the growth of race friction. Its existence may be manifested by a look or a gesture, as well as by a word or an act.

Our contention is that race friction in the United States is gradually increasing all the time. It is a ceaseless warfare, and the battle is going on, it is increasing, getting keener, and more intense everywhere throughout the United States. It is a smoldering fire. Some day someone will strike a match and explode the mine, and there will be hell to pay, and Senators will begin to understand what I have been talking about for 4 days.

A verbal cause of much useless and unnecessary controversy is found in the use of the word "race." When we speak of "race problems" or "racial antipathis," what do we mean by "race?" Clearly nothing scientifically definite, since ethnologists themselves are not agreed upon any classification of the human family along racial lines. Nor would this so-called race prejudice have the slightest regard for such classification if one were agreed upon. It is something which is not bounded by the confines of a philological or ethnological definition. The British scientist may tell the British soldier in India that the native is in reality his brother, and that it is wholly absurd and illogical and unscientific for such a thing as "race prejudice" to exist between them. Tommy Atkins simply replies with a shrug that to him and his messmates the native is a "nigger," and insofar as their attitude is concerned that is the end of the matter.

That is the British soldier expressing his attitude toward the East Indian.

The same suggestion, regardless of the scientific accuracy of the parallel, if made to the American soldier in the Philippines, meets with the same reply. We have wasted an infinite amount of time in interminable controversies over the relative superiority and inferiority of different races. Such discussions have a certain value when conducted by scientific men in a purely scientific spirit. But for the purpose of explaining or establishing any fixed principle of race relations they are little better than worthless. The Japanese is doubtless quite well satisfied of the superiority of his people over the mushroom growths of western civilization, and finds no difficulty in borrowing from the latter whatever is worth reproducing, and improving on it in adapting it to his own racial needs. The Chinese do not waste their time in idle chatter over the relative status of their race, as compared with the white barbarians who have intruded themselves upon them with grotesque customs, their heathenish ideas, and their childishly new religion. The Hindu regards with veiled contempt the racial pretensions of his conqueror, and while biding the time when the darker races of the earth shall once more come into their own, does not bother himself with such an idle question as whether his temporary overlord is his racial equal. Only the white man writes volumes to establish on paper the fact of a superiority which is either self-evident and not in need of demonstration, on the one hand, or is not a fact and is not demonstrable, on the other. The really important matter is one about which there need be little dispute—the fact of racial differences. It is the practical question of differences—the fundamental differences of physical appearance, of mental habit and thought, of social customs and religious beliefs, of the thousand and one things keenly and clearly appreciable, yet sometimes elusive and undefinable—these are the things which at once create and find expression in what we call race problems and race prejudices, for want of better terms. In just so far as these differences are fixed and permanently associated characteristics of two groups of people will the antipathies and problems between the two be permanent. We speak loosely of the race problems which are the result of European immi-

gration. These are really not race problems at all. They are purely temporary problems, based upon temporary antipathies between different groups of the same race, which invariably disappear in one or two generations, and which form only a temporary barrier to physical assimilation by intermarriage with native stocks.

The United States has always been called the melting pot of the nations, and it is here that we have provided a haven of refuge for the oppressed, the depressed, and the enslaved of all the royal governments of Europe from the crowded conditions of Europe. They have come here by the millions. But we can amalgamate those people. We can afford to intermarry with those people. We can afford to assimilate them, because they are of the white stock. They are of the Aryan race. It is altogether a different proposition when it comes to the mixing or assimilation of the black race.

Probably the closest approach we shall ever make to a satisfactory classification of races as a basis of antipathy will be that of grouping men according to color, along certain broad lines, the color being accompanied by various and often widely different but always fairly persistent differentiating physical and mental characteristics. This would give us substantially the white (not Caucasian), the yellow (not Chinese or Japanese), and the dark (not Negro) races. The antipathies between these general groups and between certain of their subdivisions will be found to be essentially fundamental, but they will also be found to present almost endless differences of degrees of actual and potential acuteness. Here elementary phychology also plays its part. One of the subdivisions of the Negro race is composed of persons of mixed blood. In many instances these are more white than black, yet the association of ideas has through several generations identified them with the Negro—and in this country friction between this class and white people is on some lines even greater than between whites and blacks.

Race conflicts are merely the more pronounced concrete expression of such friction. They are the visible phenomena of the abstract quality of racial antipathy—the tangible evidence of the existence of racial problems. The form of such expressions of antipathy varies with the nature of the racial contact in each instance. Their different and widely varying aspects are the confusing and often contradictory phenomena of race relations. They are dependent upon diverse conditions and are no more susceptible of rigid and permanent classification than are the whims and moods of human nature. It is more than a truism to say that a condition precedent to race friction or race conflict is contact between sufficient numbers of two diverse racial groups. There is a definite and positive difference between contact between individuals and contact between masses. The association between two isolated individual members of two races may be wholly different from the contact between masses of the same race groups. The factor of numbers embraces indeed the very crux of the problems arising from contact between different races.

A primary cause of race friction is the vague, rather inanible, but wholly real feeling of "pressure" which comes to the white man almost instinctively in the presence of a mass of people of a different race. In a certain important sense, all racial problems are distinctly problems of racial distribution. Certainly the definite action of the controlling race, particularly as expressed in laws, is determined by the factor of the numerical difference between its population and that of the inferior group. This fact stands out prominently in the history of our colonial legislation for the control of Negro slaves. These laws increased in severity up to a certain point as the slave population increased in numbers. The same condition is disclosed in the history of the antebellum legislation of the Southern, Eastern, New England, and Middle Western States for the control of the free Negro population. So today no State in the Union would have separate car laws where the Negro constituted only 10 to 15 percent of its total population. No State would burden itself with the maintenance of two separate school systems with a Negro element of less than 10 percent. Means of local separation might be found, but there would be no expression of law on the subject.

Just as a heavy increase of Negro population makes for an increase of friction, direct legislation, the protection of drastic social customs, and a general feeling of unrest or uneasiness on the part of the white population, so a decrease of such population, or a relatively small increase as compared with the whites, makes for less friction, greater racial tolerance, and a lessening of the feeling of necessity for severely discriminating laws or customs. And this, quite aside from the fact of a difference of increase or decrease of actual points of contact, varying with differences of numbers. The statement will scarcely be questioned that the general attitude of the white race, as a whole, toward the Negro become much less uncompromising if we were to discover that through two census periods the race had shown a positive decrease in numbers. Racial antipathy would not decrease, but the conditions which provoke its outward expression would undergo a change for the better. There is a direct relation between the mollified attitude of the people of the Pacific coast toward the Chinese population and the fact that the Chinese population decreased between 1890 and 1900. There would in time be a difference of feeling toward the Japanese now there if the immigration of more were prohibited by treaty stipulation. There is the same immediate relation between the tolerant attitude of whites toward the natives in the Hawaiian Islands and the feeling that the native is a decadent and dying race. Aside from the influence of the Indian's warlike qualities and of his refusal to submit to slavery, the attitude and disposition of the white race toward him have been influenced by considerations similar to those which today operate in Hawaii. And the same influence has been a factor in determining the attitude of the English toward the slowly dying Maoris of New Zealand.

The character and violence of race friction or conflict will depend upon the immediately provoking cause but will be influenced by a variety of accompanying considerations. Open manifestations of antipathy will be aggravated if each group feels its superiority over the other. They will be fewer and milder when one race accepts the position of inferiority outwardly, or really feels the superiority of the other. In all cases the element of individual or racial self-assertiveness plays an important part. The white man on the Pacific coast may insist that he does not feel anything like the race prejudice toward the Chinaman that he does toward the Japanese. In truth the antipathy is equal in either case, but the Chinaman accepts the position and imputation of inferiority—no matter what or how he may really feel beneath his passive exterior. On the other hand, the Japanese neither accepts the position nor plays the role of an inferior, and when attacked he does not run. Aside from all question of the relative commendable traits of the two races, it is easy to see that the characteristics of one group are much more likely than those of the other to provoke outbreaks of antipathy when brought into contact with the white race. We need not ask what would be the situation in India, and what the size of the British garrison there, if the Hindus had the assertive and pugnacious characteristics of the Japanese, veiled though the latter are behind a bland and smiling demeanor.

It is a common remark that the relations between the white and Negro races in this country are not "as good," as the expression runs, as they were before the war. The fundamental cause of most race friction is in the operation of racial antipathy which leads to the denial by one race of the racial equality of another, coupled with the assertion of equality by the other party to the contract. Postbellum racial difficulties are largely the manifestation of friction growing out of the novel claim to equality made by the Negro after emancipation, either by specific declaration and assertion, or by conduct which was equivalent to an open claim with the refusal of the white man to recognize the claim. The commonest mistake of race-problem discussions is that of treating such problems as a heritage from slavery. Slavery was responsible only insofar as it was responsible for bringing the races into contact. The institution, per se, was not only not the cause of the problem, but, on the other hand, it actually furnished a basis of contact which as long as it existed minimized the problems which result from racial contact upon a plane of theoretical equality. We may obtain a conception of an American race problem without the background of antecedent slavery relations, if we can imagine the situation which would be created by the precipitation upon the population of the Pacific coast of a million Japanese. The late Professor Shaler, of Harvard, summed up with absolute accuracy the function of slavery in making possible relations of mutual amity between the white and Negro races in this country when he declared that, "the one condition in which very diverse races may be brought into close social relations without much danger of hatred, destructive of social order, is when an inferior race is enslaved by a superior." His opinion was that "this form of union is stronger than it has appeared to those who have allowed their justifiable dislike of the relation to prejudice them as to its consequences."

Professor Shaler struck one of the keynotes of the ante-bellum situation when he said that slavery made impossible any sort of rivalry between the races. He declared his utter detestation of the institution, but said it should be recognized that "it was effective in the prevention of race hatreds." To quote his words:

"Moreover, it brought the two races into a position where there was no longer any instinctive repugnance to each other, derived from the striking differences of color or of form. If the Negroes had been cast upon this shore under any other conditions than those of slavery, they would have been unable to obtain this relation with the whites which their condition of bondage gave."

But Professor Shaler recognized the innate potential force of antipathy of race and he observed that "it remains to be seen whether the race hatred, which was essentially lost during the period of slavery, will return in the condition of freedom." Twenty-one years have elapsed since Professor Shaler wrote, and it is in the light of these two decades of additional experience that we are today attempting to answer his query.

It is impossible to discuss here, as I should like to do, the broader question of race relations as preliminary to an inquiry into relations in this country between whites and Negroes. We may, however, suggest some of the more elementary principles of such relations as a basis for reply to the concrete question before us. In the first place, I lay down as a fundamental law of racial contact the proposition that the terms and conditions of racial association will be dictated by the stronger of the two parties to such association, actuated by motives of self-interest or by instincts of self-preservation. In the second place, the resulting relations will be least conducive to friction when the terms insisted upon by the stronger race are accepted without protest by the weaker. The converse of this follows as a corollary, that the relations which are most conducive to friction are those under which the conditions laid down by the stronger party are not accepted by the weaker. The friction which racial contact engenders under such conditions will be in proportion to the degree

of the insistence of one party upon its terms of association and of the resistance to such conditions offered by the other.

The absence of antebellum racial friction was due to the general acceptance by the Negro of the status assigned him by the white race. The farther removed the two races are from this basis of association, which Professor Shaler declared to be the only one upon which they could safely have been brought together in the first place, the greater the probability that friction will follow contact between them. The whole matter resolves itself into very simple terms. The simpler the relations between diverse races, the less friction there will be; the more complex the relations, the greater the friction. The simplest relations possible are those in which the relative status of superior and inferior is mutually accepted as the historical, essential, and matter of fact basis of relationship between the two. The most complex relation possible between any two racial groups is that of a theoretic equality which one race denies and the other insists upon. The accepted relation of superior and inferior may exist not only without bitterness on one side, or harsh feelings upon the other, but it may be characterized by a sentiment and affection wholly impossible between the same groups under conditions demanding a recognition of so-called equality. We should try to gain a clear idea of the importance of this mutual recognition of a different racial status in minimizing racial friction, and of the significance of the converse condition in increasing it.

The northern white man often remarks upon the inconsistent position of the southern white man. The former objects more than the latter to personal contact and association with the Negro but theoretically, he is willing to grant to the Negro the full exercise of all the legal rights and privileges which he himself enjoys. The southern white man, on the other hand, does not object to personal association with the Negro—provided it be upon terms which contain no suggestion of equality of personal status—but he is not willing to grant the privileges which his northern brother concedes to the race in the mass. The truth is that the difference between their respective attitudes is largely a matter of fiction. It is more apparent than real. The attitude of the northern man toward the matter of personal association is really the natural attitude of the white man. It is the unconscious expression or feeling of instinctive racial antipathy in its elementary form.

The attitude of the southern man toward the same association is in reality the wholly artificial product of the relations made possible by slavery. The northern man prides himself on not "looking down on the Negro," as the expression goes. He regards him unconsciously as theoretically, potentially his racial equal. His unconscious mental attitude does not immediately upon personal contact establish between himself and the Negro the relation of superior and inferior. He is conscious only of strangeness, difference. But in the presence of this difference his mind reacts normally, and a sufficient degree of latent antipathy is aroused to create a natural barrier, which he merely "feels" and does not attempt to explain. On the other hand, through the influence of generations of association under the purely artificial relations of slavery, the mind of the southern white man instinctively responds to accustomed contact upon inherited lines with the unconscious concept of an inequality of racial status which neutralizes or prevents the operation of racial antipathy. In other words, to borrow Professor Shaler's illustration of the operation of slavery in destroying race hatred, the long-continued association has destroyed the normal operation of elementary racial antipathy. In its primary form it is simply not provoked by an association to which it has long become accustomed. It may be asked at once, if such association has been sufficient thus to impair what is claimed to be an instinctive mental impulse, and not only to do this but to establish in lieu of such a feeling relations and sentiments of genuine and unquestioned affection, why it is not able to destroy all racial antipathy and thereby in time enable the races to live together in absolute concord? Where is the ground for even the possibility of increased racial friction? The answer is not difficult. The potential results of long-continued racial contact and association may be fully granted for the sake of discussion. But the question is the primary one of accomplishing the association. Our original proposition is that racial harmony is greater under an association determined by one party and accepted by the other. This was precisely what made for such relations under slavery. But slavery is dead, and with the passing of the generation of whose life it was an accepted part, both black and white, the relations which it slowly evolved are passing also. A new basis of contact is presented—that of unconditional equality. It is a basis which the white race is not willing to concede in practice, whatever the white man may do in theory, and hence we have the essential elements of racial friction—a demand for and a denial of racial equality.

Whether or not race friction in the United States is increasing and inevitable depends upon the attitude of the two parties to the racial contact. Does the American Negro demand racial equality, and does the American white man deny it? The latter branch of the question we shall attempt to answer first. Racial antipathy, which we have said to be the basis for the "lack of harmony," and the "mutual irritation," which we translate as race friction, is practically universal on the part of the white race toward the Negro, and is beyond question stronger in the so-called Anglo-Saxon stocks than in any other. If it is less apparent in one place than in another, the difference is a mere incident to differences of local condition. It is protean in its manifestation—and subject to such a variety of provoking causes as to defy classification. It is exhibited here in the individual, and there in the mass, and elsewhere in both. One man may draw the line against association in a public conveyance, another at the relations of the domestic service. One may draw it in the public dining room of a hotel, another at his private table. One man or one section may draw it in the public schools, another only in fashionable establishments for fashionable young women, or in private academies for boys. Here and there we find a man who realizes no feeling at such contact, and he imagines himself to be "free from race prejudice." But even for him there exists the point of racial recoil, though it may be reached only at the altar or the grave. It is, after all, merely a difference of degree. Racial antipathy is a present, latent force in us all. As to this we need not deceive ourselves.

At no time in the history of the English-speaking people and at no place, of which we have any record, where large numbers of them have been brought into contact with an approximately equal number of Negroes, have the former granted to the latter absolute equality, either political, social, or economic. With the exception of five New England States, with a total Negro population of only 16,084 in 1860, every State in the Union discriminated against the Negro politically before the Civil War. The white people continued to do so—North as well as South—as long as they retained control of the suffrage regulations of their States. The determination to do so renders one whole section of the country practically a political unit to this day.

In South Africa we see the same determination of the white man to rule, regardless of the numerical superiority of the black. The same determination made Jamaica surrender the right of self-government and renders her satisfied with a hybrid political arrangement today. The presence of practically 100,000 Negroes in the District of Columbia makes 200,000 white people content to live under an anomaly in a self-governing country. The proposition is too elementary for discussion, that the white man, when confronted with a sufficient number of Negroes to create in his mind a sense of political unrest or danger, either alters this form of government in order to be rid of the incubus or destroys the political strength of the Negro by force, by evasion, or by direct action.

If we survey the field of economic contact we find but one considerable area in which the white man permits the Negro to share his occupancy practically upon equal terms. That field is the southern part of the United States. The unusual conditions there are the direct and immediate product of relations established or made possible by slavery, coupled with the maintenance of a rigid color line, which minimizes, if it does not prevent, racial friction. This condition, like the other purely artificial products of slavery favorable to amicable race relations, is changing, and will disappear with the increased tendency toward general uniformity of labor conditions and demands throughout the country. Such measures of freedom of economic opportunity as the Negro has is not due to any superior virtue on the part of southern people any more than is the larger political tolerance of the North due to any peculiar virtue of that section. Each situation is a mere incident of general racial conditions. Outside the South, whether in New York, Philadelphia, Chicago, the Middle West, or New England, the absence of economic racial friction is due to the economic segregation of the Negro.

The race outside the South is in the main confined to humbler occupations, where the absence of white competition makes for racial peace. I am speaking of the many, not of the exceptional few, who here and there are not discriminated against. What is true of the North is true of South Africa. Economically, every country apparently is either a "white man's country" or "black man's country." It does not exist half one and half the other—always excepting the South. In South Africa the great problem is to get white men to work at trades with black men or to permit black men to work at them at all. The white colonist either monopolizes a field himself—despite the fact that his numbers render the effort ruinous—or he permits the Negro to monopolize it. He will not share it equally.

But it is in the sphere of relations which the world calls social that the white man's attitude toward the Negro becomes most uncompromising—at least the attitude of the English-speaking white man. This, too, is universal. This social prejudice is no respecter of geographical lines. Its intensity varies, of course, with local influences—primarily with differences of numerical distribution. But that is a mere superficial consideration. This form of "race prejudice," if we elect so to designate it, is probably more fundamental and far reaching than any other.

The fact is clearly recognized by Prof. Kelly Miller, of Howard University, who says:

"Where two races of widely different corporal peculiarities and cultivated qualities are brought into contact serious frictional problems inevitably arise. * * * The American Negro may speak the same language, conform to the same institutions, and adopt the same mode of religious worship as the rest of his fellow men, but it avails him nothing in the scale of social eligibility, which is the one determinative test of all true equality. * * * Without social equality, which the Teuton is sworn to withhold from the darker races, no other form of equality is possible."

I shall add this further reflection: If slavery is the cause of race prejudice, why has slavery not produced it among the Arabs toward their Negro slaves? Slavery is not the cause, nor is the Christian religion its cure, nor does Mohammedanism or Catholicism prevent it. The reason of its nonexistence among the Mohammedans is not because of Mohammedanism, but because the Mohammedan is an Arab or a Moor. It does exist among the Berbers of Morocco, notwithstanding their Moslem faith. These

Berbers are not only prejudiced against the Negroes, but their prejudice has created continual unrest in Morocco, through their refusal to acknowledge fully the present sultan because of his Negro blood. The reason that this prejudice is less pronounced in Catholic than in Protestant countries is because of the fact that the Catholic countries which have had most to do with Negroes are mainly Latin countries, and the Latin's prejudice of color is nowhere as strong as the Teuton's. Under similar racial conditions the Catholic Teuton is just as much influenced by racial antipathy as his Protestant brother. It is not a question of religion or slavery, of Protestantism or Catholicism. It is finally and fundamentally a question of race.

In spite of all our protestations of democracy, the people of this country are not superior in their racial charity to the people of other parts of the world. I question if we are even as liberal in that regard as the average of Caucasian mankind. I sometimes feel that the very democracy among American white men of which we boast so much develops a concomitant intolerance toward men of another race or color. Without other fixed or established distinctions in our social order, we seem instinctively to take refuge in that of color as an enduring line of separation between ourselves and another class. Now and then, as the southern part of our country comes to be more dispassionately studied, an occasional observer will find himself puzzled by the conclusion that among its white population the South, taken as a whole, is the most democratic part of America. In the presence of the Negro, and by contrast and comparison, all white men are equal. A horizontal racial line is drawn between the two sections of the population.

All on one side of the line are conceded certain privileges and a certain status, based not upon merit but solely upon the accident of color. To the whole group on the other side of the line a certain status is assigned solely because of identity with another racial class. In each case what should be controlling differences within each group, along certain fairly tangible lines, are wholly ignored. In steadily increasing degree, it seems to me, certain privileges and a certain place in the larger life of the country are coming to be regarded as the peculiar and particular asset of Caucasian racial affiliation.

We have seen the fulfilling of De Tocqueville's prophecy that emancipation would be but the beginning of America's racial problems. The history of the world is a more open book today than it was a half or three-quarters of a century ago, and we have a larger perspective of racial contact. One of the editors of the Wealth of Nations has justly said that Adam Smith was instrumental in bringing different nations and cities closer together through a realization of their interdependence. But there is apparently a line which distantly related races cannot yet cross in safety. Such races have been brought into more intimate contact since the great economist lived, and the association has given rise to problems unknown to his generation, yet probably as old as the time when the first two groups of strangers on earth came together in suspicion and distrust. The diverse people of the world do not yet understand each other. Perhaps they never will. We have no excuse if we willfully blind ourselves to the stubbornest facts in human experience, and persist in regarding racial antipathy, or "race prejudice," as a mere passing relic of slavery, peculiar to one part of the country. We can make no progress even in the comprehension of our problem if we circumscribe our vision by any such narrow view. It was Jefferson's opinion that the emancipation of the American Negroes was one of the inevitable events of the future. It was also his conviction that the two races could never live together as equals on American soil. His solution was colonization, but the time for that had probably passed when he wrote. As late as 1862 Lincoln expressed practically the same opinion as Jefferson. To a delegation of Negroes he said:

"You and we are different races. * * * Your race is suffering, in my judgment, the greatest wrong inflicted on any people. But even when you cease to be slaves, you are yet far removed from being placed on an equality with the white race. * * * The aspiration of men is to enjoy equality with the best when free, but on this continent, not a single man of your race is made the equal of a single man of ours. Go where you are treated the best, and the ban is still upon you."

To me the problems of racial contact, of which friction is but one, seem as inevitable as apparently they did to DeTocqueville and Jefferson and Lincoln. But I have no solution, because of my conviction that in a larger, final sense there is no solution of such problems, except the separation of the races or the absorption of one by the other. And in no proper conception is either of these a "solution." We do not solve a problem in geometry by wiping from the blackboard the symbols which are the visible expression of its terms. The question which the American people must first be prepared to answer, if they demand a solution of their problem, is whether, within a period which may practically be considered, they will grant to another race, darker, physically different, and permanently distinguished from themselves, all and singular the rights, titles, and privileges which they themselves enjoy, with full and complete measure of equality in all things, absolutely as well as theoretically. If they can do this, they will reverse the whole history of their own people, and until they do it, not only will there be race friction here, but it will increase as the weaker race increases its demands for the equality which it is denied.

Thus we return to the first branch of our inquiry—the attitude of the Negro as one of the determining factors in the increase or decrease of race friction. It is more difficult to answer for him than for the white man. The latter has a history in the matter of his relations with other races, perfectly well defined to anyone who will study it candidly. He has either ruled or ruined, to express it in a few words, and pretty often he has done both. It has been frequently said that the Negro is the only one of the inferior, or weaker, or backward, or undeveloped races (the terms are largely interchangeable and not all important), which has ever looked the white man in the face and lived. But for all the significance the statement holds, we have only to go to Aesop's fable of the tree which would, and the tree which would not bend before the storm. I know of no race in all history which possesses in equal degree the marvelous power of adaptability to conditions which the Negro has exhibited through many centuries and in many places. His undeveloped mental state has made it possible for him to accept conditions, and to increase and be content under them, which a more highly organized and sensitive race would have thrown off, or destroyed itself in the effort to do so. This ability to accept the status of slavery and to win the affection and regard of the master race, and gradually but steadily to bring about an amelioration of the conditions of the slave status made possible the anomalous and really not yet understood race relations of the ante bellum South. The plain English of the situation was that the Negro did not chafe or fret and harass himself to death, where the Indian would have done so, or massacred the white man as an alternative. In many respects the Negro is a model prisoner—the best in this country. He accepts the situation, generally speaking; bears no malice, cherishes no ill will or resentment, and is cheerful under conditions to which the white man refuses to reconcile himself.

The adaptability of the Negro has an immediate bearing on the question before us. It explains why the Negro masses in the Southern States are content with their situation, or at least not disturbing themselves sufficiently over it to attempt to upset the existing order. In the main, the millions in the South live at peace with their white neighbors. The masses, just one generation out of slavery and thousands of them still largely controlled by its influences, accept the superiority of the white race, as a race, whatever may be their private opinion of some of its members. And, furthermore, they accept this relation of superior and inferior, as a mere matter of course—as part of their lives—as something neither to be questioned, wondered at, or worried over. Despite apparent impressions to the contrary, the average southern white man gives no more thought to the matter than does the Negro. As I tried to make clear at the outset, the status of superior and inferior is simply an inherited part of his instinctive mental equipment—a concept which he does not have to reason out. The respective attitudes are complementary, and under the mutual acceptance and understanding there still exist unnumbered thousands of instances of kindly and affectionate relations—relations of which the outside world knows nothing and understands nothing. In a Boston colored magazine some months since, Miss Augusta P. Eaton gives an account of her settlement work among Negroes in that city. In describing relations where colored and white families live in contact, she says, "The great bond of fellowship is never fully established. There is tolerance, but I have found few cases of friendly intimacy." Here is just the difference between the two situations. "Friendly intimacies," probably not in the sense meant by Miss Eaton but friendly and kindly intimacies, nonetheless, do exist in the South, despite all we hear to the contrary. They are the leaven of hope and comfort for white and black alike in what does appear to be a pretty big lump of discord. In the mass, the southern Negro has not bothered himself about the ballot for more than 20 years, not since his so-called political leaders let him alone; he is not disturbed over the matter of separate schools and cars, and he neither knows nor cares anything about "social equality."

I believe there may develop in process of time and evolution a group of contented people, occupying a position somewhat analogous to that of the Jamaican peasant class, satisfied in the enjoyment of life, liberty, and the pursuit of happiness, and afforded the full protection of the law. I believe it possible for each of the various groups of the two races which find themselves in natural juxtaposition to arrive at some basis of common occupancy of their respective territories which shall be mutually satisfactory, even if not wholly free from friction. I express a belief that this is possible, but to its accomplishment there is one absolute condition precedent; they must be let alone and they must be given time. It must be realized and accepted, whether we like it or not, that there is no cut-and-dried solution of such problems, and that they cannot be solved by resolutions or laws. The process must be gradual and it must be normal, which means that the final basis of adjustment must be worked out by the immediate parties in interest. It may be one thing in one place and another thing in another place, just as the problem itself differs with differences of local conditions and environment. We must realize that San Francisco is not Boston, that New Orleans is not New York. Thus much for the possibilities as to rank and file.

But what of the other class? The "masses" is at best an unsatisfactory and indefinite term. It is very far from embracing even the southern Negro, and we need not forget that 7 years ago there were 900,000 members of the race living outside of the South. What of the class, mainly urban and large in number, who have lost the typical habit and attitude of the Negro of the mass, and who, more and more, are becoming restless, and chafing under existing conditions? There is an intimate and very natural relation between the social and intellectual advance of the

so-called Negro and the matter of friction along social lines. It is in fact only as we touch the higher groups that we can appreciate the potential results of contact upon a different plane from that common to the masses in the South.

There is a large and steadily increasing group of men, more or less related to the Negro by blood and wholly identified with him by American social usage, who refuse to accept quietly the white man's attitude toward the race. I appreciate the mistake of laying too great stress upon the utterances of any one man or group of men, but the mistake in this case lies the other way. The American white man knows little or nothing about the thought and opinion of the colored men and women who today largely mold and direct Negro public opinion in this country. Even the white man who considers himself a student of "the race question" rarely exhibits anything more than profound ignorance of the Negro's side of the problem. He does not know what the other man is thinking and saying on the subject. This composite type which we poetically call "black," but which in reality is every shade from black to white, is slowly developing a consciousness of its own racial solidarity. It is finding its own distinctive voice, and through its own books and papers and magazines, and through its own social organizations, is at once giving utterance to its discontent and making known its demands.

And with this dawning consciousness of race there is likewise coming an appreciation of the limitations and restrictions which hem in its unfolding and development. One of the best indices to the possibilities of the increased racial friction is the Negro's own recognition of the universality of the white man's racial antipathy toward him.

This is the one clear note above the storm of protest against the things that are, that in his highest aspirations everywhere the white man's "prejudice" blocks the colored man's path. And the white man may with possible profit pause long enough to ask the deeper significance of the Negro's finding of himself. May it not be only part of a general awakening of the darker races of the earth? Captain H. A. Wilson, of the English Army, says that through all Africa there has penetrated in some way a vague confused report that far off somewhere, in the unknown, outside world, a great war has been fought between a white and a yellow race and won by the yellow man. And even before the Japanese-Russian conflict, "Ethiopianism" and the cry of "Africa for the Africans" had begun to disturb the English in South Africa. It is said time and again that the dissatisfaction and unrest in India are accentuated by the results of this same war. There can be no doubt in the mind of any man who carefully reads American Negro journals that their rejoicing over the Japanese victory sounded a very different note from that of the white American. It was far from being a mere expression of sympathy with a people fighting for national existence against a power which had made itself odious to the civilized world by its treatment of its subjects. It was, instead, a quite clear cry of exultation over the defeat of a white race by a dark one. The white man is no wiser than the ostrich if he refuses to see the truth that in the possibilities of race friction the Negro's increasing consciousness of race is to play a part scarcely less important than the white man's racial antipathies, prejudices, or whatever he may elect to call them.

In its final analysis, the sum and substance of the ultimate demand of those Americans of African descent whose mental attainments and social equipment identify them much more closely with the Anglo Saxon than with the Negro masses is definitely and clearly stated in the words of Dr. Dubois:

"There is left the last alternative—the raising of the Negro in America to full rights and citizenship. And I mean by this no halfway measure; I mean full and fair equality. That is, the chance to obtain work, regardless of color; to aspire to position and preferment on the basis of desert alone; to have the right to use public conveniences; to enter public places of amusement on the same terms as other people; and to be received socially by such persons as might wish to receive them. These are not extravagant demands, and yet their granting means the abolition of the color line. The question is, Can American Negroes hope to attain to this result?"

With equal clearness and precision, and with full comprehension of its larger meaning and significance and ultimate possibilities, the American white man answers the question in the language of another eminent American sociologist, Prof. Edward A. Ross, in contrasting the attitudes of Anglo-Saxons and Latins toward other races on this continent, says:

"The superiority of a race cannot be preserved without pride of blood and an uncompromising attitude toward the lower races. * * * Whatever may be thought of the (latter) policy, the net result is that North America, from the Bering Sea to the Rio Grande, is dedicated to the highest type of civilization; while for centuries the rest of our hemisphere will drag the ball and chain of hybridism."

And thus the issue is joined. And thus also perhaps we find an answer to our own question whether racial friction in this country is increasing and inevitable.

There is the whole story of civil rights in the North.

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

The PRESIDING OFFICE. Does the Senator from Mississippi yield to the Senator from Kentucky?

Mr. BILBO. I shall be delighted to yield for a question.

Mr. BARKLEY. The question is: Is the Senator from Mississippi ready to suspend at this hour?

Mr. BILBO. I shall be happy to suspend if I may continue tomorrow, because I have just started.

Mr. CONNALLY. Mr. President, I understand that that means that the Senator requests unanimous consent that suspending his remarks now shall not interfere with the continuation of his speech.

The PRESIDING OFFICER. Is there any objection to the Senator from Mississippi proceeding tomorrow?

Mr. CONNALLY. Without yielding.

The PRESIDING OFFICER. Without losing the floor.

Mr. CONNALLY. Without prejudicing at all his right to the floor.

The PRESIDING OFFICER. Is there any objection?

Mr. WAGNER. Mr. President, I inquire whether it is the intention of the Senator from Mississippi to hold the floor against some Senator who may wish to speak on the other side of this question?

Mr. BILBO. I have no evidence of any anxiety on the part of the proponents of the measure to explain it to the Senate.

Mr. BARKLEY. Mr. President, in that connection I desire to say that the Senator from Pennsylvania [Mr. GUFFEY] has advised me that he would like to speak briefly tomorrow, probably for 30 minutes; and I suppose an arrangement may be made by which the Senator from Mississippi will yield for that purpose without in any way prejudicing himself.

Mr. CONNALLY. Reserving the right to object——

Mr. BARKLEY. I am not making any request at all, because it is an arrangement that must be made between Senators.

Mr. CONNALLY. The Senator from Texas is rather astounded that the Senator from New York should make even a tentative objection to this procedure, because of the fact that the other day the Senator from Texas was somewhat instrumental in having the Senator from Utah [Mr. KING] give way and relinquish the floor in order that the Senator from New York might speak when, if, and how it was convenient to him. Now the Senator from New York asks that the Senator from Mississippi, instead of finishing his speech, shall stop and give way to some other Senator who has had 4 weeks in which to speak, and who during that time has been well and able and husky. The Senator from Texas is astonished that any Senator should insist on that sort of procedure.

Mr. WAGNER. Mr. President, I think the Senator from Texas misunderstood me. I understand that the Senator from Pennsylvania [Mr. GUFFEY] desires to address the Senate, if possible, tomorrow. I simply asked the Senator from Mississippi—I think it was a very polite question—whether he intended to hold the floor all day tomorrow, or whether he would agree to give way to the Senator from Pennsylvania if he desired to address the Senate. I think that was not an impolite question to ask.

The PRESIDING OFFICER. The Chair understands that the Senator from Mississippi will gladly yield, provided he does not lose the floor. Is that correct?

Mr. BILBO. Yes. I have made arrangements to finish the discussion of this subject in about 27 days. I shall be glad, though, to yield in the meantime to a speech from any Senator who wishes to bring us some information on the subject matter of the bill.

Mr. BARKLEY. In view of the fact that the Senator from Mississippi has just advised the Senate that he has 27 days more of his speech, it occurred to me that probably any Senator who might obtain an opportunity to speak on the subject on either side would have to do it through an arrangement with the Senator from Mississippi, who would yield to any Senator who wanted to speak more briefly, provided it was not taken out of his 27 days.

Mr. CONNALLY. Reserving further the right to object, I suggest that that is a matter which can be arranged on

tomorrow. If the Senator from Mississippi desires to give way to the Senator from Pennsylvania, well and good. I shall make no objection; but when the Senator from Mississippi has the floor, and is still making his speech, I do not see any reason why he should give way to some other Senator.

Mr. BILBO. I hope to finish this particular line of thought and give the Senator from Pennsylvania [Mr. GUFFEY] an opportunity to speak tomorrow.

Mr. WAGNER. Mr. President, I hope the leader on this side will also take note of the statement of the Senator from Mississippi that he proposes to hold the floor for 27 days.

Mr. BARKLEY. Yes; I did take note of it, with the suggestion that if any other Senator wants to make a speech within that time it will have to be through an arrangement with the Senator from Mississippi, who is threatening a 27-day oration to the Senate.

I am satisfied that there will be no difficulty in arranging the matter between the Senator from Mississippi and the Senator from Pennsylvania or any other Senator who wishes to speak on the subject. So much complaint has been made because the proponents of the bill have not been willing to speak that certainly there ought not to be any objection when one of them comes forth and offers to uphold his side of this question.

Mr. CONNALLY. Mr. President, reserving the right to object, let me say that no one objects to Senators speaking who wish to advocate the bill; but we think they are no better than other Senators, and that they ought to get the floor in the regular way, as other Senators have done. Merely because a Senator is going to speak for the bill, we see no reason why a traffic escort should march through the Senate and wave out of the way all those who are opposed to the bill and give him preferred time and preferred place.

There is no one in the Senate whom I would rather hear speak for the bill than the Senator who is expected to speak tomorrow.

Mr. McNARY. Mr. President, I desire to announce that the Senator from Maine [Mr. HALE] wishes to speak tomorrow, if the opportunity shall offer itself.

Mr. CONNALLY. Mr. President, has the request been submitted?

The PRESIDING OFFICER. The request has been submitted. The Senator from Mississippi will have the floor tomorrow. There was no objection.

Mr. CONNALLY. The Senator may proceed without being interfered with.

The PRESIDING OFFICER. That is the agreement.

RESPONSIBILITY FOR ARTICLE ENTITLED "U. S. A. DOES AUSTRALIA A SECRET SERVICE"

Mr. NYE. Mr. President, would the Senator from Kentucky have any objection to the presentation of a resolution to lie on the table, and the offering of certain documents in support of the resolution?

Mr. BARKLEY. What is the nature of the resolution?

Mr. NYE. I send it to the desk and ask to have it read. It is very brief.

Mr. BARKLEY. I do not think I have objection to the offering of the resolution.

The PRESIDING OFFICER. The resolution will be read for the information of the Senate.

The resolution (S. Res. 230) was read, as follows:

Resolved, That the Secretary of State is requested to ascertain, through such channels as may be at his command, the authority or responsibility for the article entitled "U. S. A. Does Australia a Secret Service," appearing in the Australian newspaper "Smiths Weekly" of October 16, 1937, and report his findings to the Senate of the United States, if not incompatible with the public interest.

Mr. NYE. I ask that the resolution lie on the table.

The PRESIDING OFFICER. The resolution will lie on the table.

Mr. NYE. Mr. President, in connection with the resolution I should like to call to the attention of the Senate a rather amazing disclosure which comes from an Australian newspaper under date of Saturday, October 16, 1937, the publication being Smiths Weekly, which is very widely read. The front page of this particular issue is given over to a lengthy detail under the heading—

United States of America does Australia a secret service—Amelia Earhart search made the opportunity—Plane observers over Japanese Pacific bases—Tip was given our defense department.

The story proceeds to reveal that our Navy had gone out of its way during the Amelia Earhart search and had spied, so to speak, upon certain Japanese bases; moreover, that the information which the Navy obtained was shared with the British Admiralty.

When this matter first came to my attention I conveyed the evidence to the Secretary of State and to the Secretary of the Navy, and asked whether the report as published was authentic. I received from each of them a declaration that no such practice had been undertaken, that no information had been obtained to share with the British Admiralty or any other foreign officials. There is left in my mind, however, the question of what force is at work in our country and in other countries to build and breed fear and suspicion of one another to the end that there may be a larger indulging in the present-day international armament race.

I ask unanimous consent that there be printed in the RECORD in connection with my remarks the story as published in Smiths Weekly, to which I have referred, an article appearing in the Philadelphia Inquirer of yesterday, Sunday, February 6, my letters of inquiry to the Secretary of State and the Secretary of the Navy, and their responses thereto.

The PRESIDING OFFICER. Is there objection?

Mr. BARKLEY. Mr. President, in connection with the resolution offered by the Senator—although I do not care to discuss it at this time—it seems to me that, with all the burdens already on the Secretary of State, it is asking him to undertake a good deal to make an investigation as to the responsibility for and authorship of some article appearing in an Australian newspaper or magazine. Why center on the Secretary of State to find out who wrote the article?

Mr. NYE. The inquiry centers on the Secretary of State on the assumption that he is the only one having access to such channels as might reveal the information desired.

Mr. CONNALLY. Mr. President, reserving the right to object, why does not the Senator from North Dakota withhold this material until some action is had on his resolution? I do not see that this kind of publication is at all helpful to the foreign relations of the United States, as tending to our peace and to good fellowship between nations. I do not know what the material is. It seems to be some rigmarole about an article published in Australia raising some questions against our Government. I think we ought to wait for action on the resolution before the material is published in the RECORD.

Mr. NYE. Mr. President, I think the information should be in the RECORD for use when the resolution is considered.

Mr. BARKLEY. Mr. President, I think there is merit in the suggestion of the Senator from Texas. Personally I should like to have an opportunity to examine the material which the Senator desires to have inserted in the RECORD, and if he will withhold it until tomorrow, I may have no objection to it; but it is impossible to guess at what an article coming from Australia, with the implications carried in it, may convey. I do not know that there will be any serious objection to it being printed. Certainly the resolution offered by the Senator would not come up tomorrow, at any rate.

Mr. NYE. Certainly not.

Mr. BARKLEY. So that no time will be lost by withholding the material.

Mr. NYE. I have no objection to the Senator from Kentucky having access to the material, but I think it ought to be made a part of the RECORD so that other Members of the Senate may see what its general nature is. I may say that the publication of no part of it would reflect in any degree upon our own Government, or any official of it.

Mr. BARKLEY. I hope the Senator will not insist on its publication today. I should like to look it over.

Mr. NYE. Would the Senator object to having the letters from the Secretary of State and the Secretary of the Navy printed in the RECORD?

Mr. BARKLEY. They do not pertain to this Australian article, do they?

Mr. NYE. They pertain to the same article.

Mr. BARKLEY. I think, if they are to be inserted in the RECORD, all the matter should go in together.

Mr. NYE. Very well.

EXECUTIVE MESSAGES REFERRED

The PRESIDING OFFICER (Mr. ELLENDER in the chair), as in executive session, laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

RECESS

Mr. BARKLEY. I move that the Senate take a recess until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 5 o'clock and 17 minutes p. m.) the Senate took a recess until tomorrow, Tuesday, February 8, 1938, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate February 7 (legislative day of January 5), 1938

COLLECTORS OF CUSTOMS

Fountain Rothwell, of University City, Mo., to be collector of customs for customs collection district No. 45, with headquarters at St. Louis, Mo. (Reappointment.)

Adrian Pool, of El Paso, Tex., to be collector of customs for customs collection district No. 24, with headquarters at El Paso, Tex. (Reappointment.)

REGISTER OF LAND OFFICE

Ellis Purlee, of California, to be register of the Land Office at Sacramento, Calif. Reappointment.

PUBLIC HEALTH SERVICE

Assistant Dental Surgeon Dwight K. Shellman to be passed assistant dental surgeon in the United States Public Health Service, to rank as such from March 1, 1938.

APPOINTMENTS IN THE REGULAR ARMY

MEDICAL ADMINISTRATIVE CORPS

To be second lieutenants with rank from date of appointment

Second Lt. Leonard Paul Zagelow, Infantry Reserve.
George Henry Wilson.
James Wheeler McCormley.
Ernest William Bye.
John Valdo Painter.

PROMOTIONS IN THE NAVY

Commander Joel W. Bunkley to be a captain in the Navy, to rank from the 3d day of June 1937.

The following-named lieutenant commanders to be commanders in the Navy, to rank from the 1st day of December 1937:

Joseph J. Clark
Albert M. Bledsoe

Lt. Corydon H. Kimball to be a lieutenant commander in the Navy, to rank from the 1st day of December 1937.

Lt. (junior grade) John W. Davison to be a lieutenant in the Navy, to rank from the 3d day of June 1937.

Ensign Warren S. Macleod to be a lieutenant (junior grade) in the Navy, to rank from the 31st day of May 1937.

Assistant Paymaster Jack O. Wheat to be a passed assistant paymaster in the Navy, with the rank of lieutenant, to rank from the 30th day of June 1937.

MARINE CORPS

Maj. John T. Walker to be a lieutenant colonel in the Marine Corps from the 1st day of December 1937.

HOUSE OF REPRESENTATIVES

MONDAY, FEBRUARY 7, 1938

The House met at 12 o'clock noon.

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

Strong Son of God, Immortal Love, make us partakers of the strength and tenderness which Thou hadst before the world was; give glad assurance to each heart. O Thou who hast brought us safely to the beginning of this day, our souls wait for Thee. We pray Thee to make us worthy of Thy continued love and mercy and faithful to our calling. Lord God of the nations, let not Thy voice die away in the disconsolate and empty spaces of this world. Let there come a mighty spiritual power from Thy throne. Oh, give deliverance and make the wrath of men to praise Thee and save them from the tyrannies of war. Do Thou preserve Thy people forever against any government by massacre. We beseech Thee in these times of crises, hold our fellow citizens in the unity of patience, forbearance, and in the spirit of the Carpenter of Nazareth. Almighty God, upon our President, our Speaker, and the Congress have devolved great and even weary responsibilities. Do Thou preserve their strength and sustain them with sure directive wisdom. In the dear Redeemer's name. Amen.

The Journal of the proceedings of Friday, February 4, 1938, was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Frazier, its legislative clerk, announced that the Senate disagrees to the amendments of the House to the bill (S. 371) entitled "An act for the relief of William R. Kellogg," requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. BAILEY, Mr. LOGAN, and Mr. CAPPER to be the conferees on the part of the Senate.

The message also announced that the Senate had adopted the following resolution:

Resolved, That the Secretary be directed to return to the House of Representatives, in compliance with its request, the engrossed bill (S. 2194) to provide for the semiannual inspection of all motor vehicles in the District of Columbia, together with the engrossed House amendments thereto.

EXTENSION OF REMARKS

Mr. WHITTINGTON. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein an address delivered by Gen. Julian Schley, Chief of Engineers, before the Mississippi Valley Flood Control Association in Washington on January 19, 1938, and also an address delivered by him on January 20 before the Rivers and Harbors Congress, Washington, D. C.

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

There was no objection.

THE FARM BILL

Mr. JONES. Mr. Speaker, I ask unanimous consent that the conferees may have until midnight tonight to file a conference report on the bill H. R. 8505, the farm bill.

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

Mr. SNELL. Mr. Speaker, reserving the right to object, I would not have any definite objection to the conferees having until midnight to file the report, provided we may have some understanding as to when the matter will be brought up and that we will have a reasonable time to discuss it. This is a rather unusual situation, because it is practically a new bill of one hundred and twenty-odd pages, and the House is entitled to reasonable time to know what is in the bill in order to determine what finally to do with it.

Mr. JONES. It is not quite a new bill. It has some changes. A print was made and has been available in the document room since Saturday morning. This contains provisions of the bill. In order to have it before the Members of the House we announced to the House there would be

available Saturday morning copies of the bill. We had hoped to take this up on tomorrow for final disposition.

Mr. SNELL. The gentleman knows it is hardly a reasonable request to have a report filed at midnight tonight on practically a new bill of 120 pages and take it up tomorrow.

Mr. JONES. You have had the bill.

Mr. SNELL. It is almost impossible to understand it. I have been trying to do that myself.

Mr. JONES. We would like to take more time and have it brought up later, but, as the gentleman knows, the farm question is far reaching and in order to have it available for the present year, this has to be acted upon just as early as possible because planting time is near in the southern area.

Mr. SNELL. The gentleman has had 4 weeks to look it over and now he wants us to have but 4 minutes.

Mr. JONES. We have talked with various Members.

Mr. SNELL. How long has the committee had it in conference?

Mr. JONES. All of this is in the bill. We have had a full discussion of the whole problem. We have had a thorough discussion in the House when we were here before, and there was full debate at that time. I may say to the gentleman this follows largely, in my judgment, the philosophy of the House bill.

Mr. SNELL. Perhaps it does, but we want to be sure it does. Some of us are opposed to it anyway. If the gentleman is willing to agree to take this up on Thursday and give us reasonable time, I shall not object to his filing a report tonight.

Mr. JONES. The gentleman would still be opposed to it Thursday.

Mr. SNELL. Individually, I am opposed to the bill, but that is another matter.

Mr. JONES. I cannot see any reason, when planting is to begin in so short a period of time, why we should let this go over until Thursday, because it must then go to the Senate.

Mr. SNELL. I cannot see why you should let it go 4 or 5 weeks until this late date.

Mr. JONES. We had some disagreement with reference to certain provisions as between the House and Senate. If it had been left to the House conferees we would have been back here a month ago.

Mr. SNELL. A couple of days is not going to make very much difference.

Mr. JONES. I may say to the gentleman we were doing our best to keep the House bill intact.

Mr. SNELL. Granted that, we want to know about the bill, and I think I have made a reasonable request to let it go over until Thursday.

Mr. JONES. It has been available since Saturday morning, and a great many Members have secured copies since Saturday.

Mr. SNELL. I know that. I do not think my request is unreasonable, and I am going to insist on it. If the gentleman wants to force it down our throats, all right, but I believe I am making a reasonable request.

Mr. JONES. If the gentleman wants to take that responsibility, all right. I understand the gentleman objects.

Mr. SNELL. Unless we can make a reasonable arrangement, I certainly do object; yes.

Mr. JONES. I am willing to take the whole of tomorrow to discuss it.

Mr. SNELL. Well, we want more time than that. We want to go over the report.

Mr. Speaker, I object.

The SPEAKER. Does the gentleman from New York [Mr. SNELL] object?

Mr. SNELL. Yes.

COMMITTEE ON RULES

Mr. O'CONNOR of New York. Mr. Speaker, I ask unanimous consent that the Committee on Rules may have until midnight tonight to file a rule on the farm bill.

Mr. SNELL. I object, Mr. Speaker.

PERMISSION TO ADDRESS THE HOUSE

Mr. O'CONNOR of New York. Mr. Speaker, I ask unanimous consent to address the House for one-half minute.

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

There was no objection.

Mr. O'CONNOR of New York. Mr. Speaker, the Committee on Rules will meet at 12:45.

Mr. SNELL. That is satisfactory.

COMMITTEE ON PATENTS

Mr. KRAMER. Mr. Speaker, I ask unanimous consent that the Committee on Patents may have permission to sit during the session of the House today. We have subpenaed witnesses to appear before our committee, and we should like to continue our hearings for the remainder of the day.

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

There was no objection.

EXTENSION OF REMARKS

Mr. CELLER. Mr. Speaker, I ask unanimous consent to extend my remarks in four particulars: First, concerning my statement before the Committee on Ways and Means; second, on the Ludlow amendment; and third and fourth, on general taxation.

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

There was no objection.

Mr. MANSFIELD. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein a brief extract from a message from the President of the United States.

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

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. MAVERICK. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

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

There was no objection.

INVESTIGATION OF T. V. A.—NO FRIEND SHOULD FEAR RESULTS

Mr. MAVERICK. Mr. Speaker, on the second day of this session of Congress, on January 4, I introduced two resolutions for the investigation of the Tennessee Valley Authority. One was for a select committee, House Resolution No. 391, and the other was House Joint Resolution No. 550, which provided for investigation by the Federal Trade Commission.

At the outset I said that I did not care who or what body made the investigation, but that I believed a thorough investigation or study should be made of the T. V. A. I do not fear the result; besides, if anything is wrong, it should be corrected.

Since the introduction of these two resolutions to investigate, T. V. A. has been charged with selling power to monopolies and big industrial units at less than cost of production. These attacks have been made by the bitterest enemies of T. V. A., those who are generally recorded on the side of unregulated big business and monopoly. These new "friends" are like the baby-faced bandits of recent times—sweet, suave, smiling fellows who would filch the pockets of T. V. A. and use a big butcher knife at the first opportunity.

SOME CHARGES AGAINST T. V. A. ARE TRUE

But I must say that some of the charges against T. V. A. by its enemies are true, though conclusions differ with the individual. While I am glad that defense of the T. V. A. has been made, I believe the friends of T. V. A. should defend no practice which is either unwise or improper.

Since cheap power means so much to the domestic consumers of a great section of our country, and since T. V. A. is charged with selling power to private monopolies at less than cost, a study of the question would seem to be necessary.

In addition there has been considerable public controversy concerning monopolies in all fields, as well as in big business and various combinations in restraint of trade. Therefore it would seem proper to expand the investigation to cover all phases of monopoly or combinations in restraint of trade.

DOES NEW DEAL FOSTER OR FIGHT MONOPOLY? WHAT IS ITS POLICY?

Besides, the New Deal and the Democratic Party have been charged with inconsistency in the matter of monopoly—of fostering private monopoly on the one hand and threatening to destroy it on the other.

Is this true?

If so, Congress should find out, determine policies, then demand these policies be carried out. That is only fair, both to private endeavor and to the Government.

I have, therefore, in addition to the two resolutions to investigate T. V. A., introduced a joint resolution (H. J. Res. 581) entitled "To create a joint congressional committee on monopoly," which will provide for a thorough investigation of the question of monopoly in all its phases, and including the premeditated attempt of private monopoly to hamstring the President's power program. But the information I now submit concerns the Tennessee Valley Authority.

SOME PERSONALITIES—THE THREE DIRECTORS

Personalities themselves, or in themselves, are not issues. But the fate of the T. V. A. has been bound up in the personalities of the members of the three directors, all of whom are honest men. A discussion of them at this point, therefore, and before we proceed, ought to be of value.

Dave Lilienthal is unquestionably intelligent and capable. However, he is either unduly shy or excessively arrogant, and I am unable to determine which it is.

Last summer, when the T. V. A. was about to enter into the Arkansas Power & Light contract, I opposed it, informing Mr. Lilienthal of my objections, and by statement in the press. My opposition was, and still is, based chiefly upon the grounds that it did not contain proper provisions for regulation of resale rates by T. V. A. as provided for in the act. (See below I, Arkansas Power & Light.)

Mr. Lilienthal knew my attitude and that of several other Members of the House before whom he appeared and defended this contract. Although we were all interested in private power contracts of T. V. A., I am sure he did not even mention any industrial contracts.

Moreover, he left the impression, or I got the impression, that all T. V. A. contracts were short-term agreements. I was somewhat astonished to find out afterwards that T. V. A. had entered into many long-term contracts with industrial organizations, some of them usually classified as monopolies.

CATERWAULING IN PUBLIC—HARCOURT MORGAN IN DOG HOUSE

During the conference mentioned Mr. Lilienthal volunteered no information, and I would not say that he scrambled down in any big hurry from Mount Olympus in order to let us shine in the light of his impeccable knowledge. I would not say that he was bubbling over with cooperation and frankness.

This lack of frankness is also true of Chairman Morgan. It has been said that Chairman Morgan has abandoned his love of public power and is the one who wants to give out contracts to private utilities and to have various "pools," which would, in actual effect, destroy the ideals of the T. V. A. But Dave Lilienthal favors the industrial contracts and the contract to the Arkansas Power & Light Co., and investigation may prove they are just as bad.

Any investigation, therefore, would determine the actual facts in reference to this and if either or both of them are right. Both of these gentlemen are evasive in answers to members of Congress, but both of them caterwaul in public at each other whenever they feel like it. The reason for this caterwauling might be determined by a congressional committee.

Insofar as the testimony of these two gentlemen which I have had the honor of hearing, about the only difference is that Mr. Lilienthal smiles and evades all questions, and Mr. Morgan looks solemn and evades all questions.

As for the third member of the board, Mr. Harcourt Morgan, a distinguished educator, he is an honest man, too, but he has been kept in the dog house, hidden out practically all the time by Chairman Morgan and Mr. Lilienthal. What he would say if he got out of the dog house I do not know. For all I know, and from what I can find out, the other two might be the ones who belong in the dog house. But in any event the wrangling must be stopped.

But one can only conclude that the attitude of the board as a whole is somewhat similar to that of certain executives of big corporations—they want business (T. V. A.) "to be let alone by the Government." This is no reflection upon the integrity of the T. V. A. directors; however, I seem to discern a superior attitude toward men of common clay (Congressmen) who are merely elected to serve the people.

This lofty attitude is possessed by some of the high bojums and key cockalorums of the T. V. A. My idea is that all of them should be requested to dismount from their high-horses and talk with us poor, benighted fellows in order that we may be enlightened.

ANALYSIS—ANNUAL REPORT OF THE T. V. A. FOR 1937

But let me analyze the annual report for 1937 of the T. V. A., which I have before me, and which was submitted to Congress on December 31, 1937, and which I have examined more thoroughly since I introduced the resolutions for investigation of T. V. A. on January 4.

A fair analysis of T. V. A. contracts is found on pages 23 and 24 (see below, II, Contracts of T. V. A.) and all these contracts are set forth in full in the report beginning on page 133.

What astonishes and deeply troubles me is that, according to this T. V. A. report, out of an installed generating capacity of 350,000 kilowatts—Wilson, Wheeler, and Norris Dam (see p. 90 of the annual report for 1937; the figure used by Senator McKELLAR was 348,000 kilowatts)—T. V. A. has contracted away for long terms of from 10 to 20 years approximately 287,350 kilowatts to some of the greatest and most notorious industrial monopolies in this country (see pp. 23 and 24 of annual report of 1937 and below) or a little over 82 percent of the installed generating capacity of these dams. Of this 287,350 kilowatts, approximately 137,850 kilowatts is primary or firm power.

This figure of 287,350 kilowatts was arrived at by simple addition of the figures shown on the T. V. A. table on page 24 of the annual report, and it includes the 40,000 kilowatts to the Arkansas Power & Light Co. It also includes 8,000 kilowatts to Sardis Dam, which is listed as an industrial contract, but may be operated by the War Department. This contract is not set forth in the annual report.

COOPERATIVES, CITIES PAY TWICE AS MUCH AS INDUSTRIALS

The charge for this power averages approximately 2½ mills per kilowatt, when the charge to municipalities is over double that amount. On page 20 of the annual report is the following:

> The average price of T. V. A. power sold to small municipalities and cooperative associations during the fiscal year was 5½ mills.

One of the most astonishing things to me about these contracts is that T. V. A. has contracted away to the Aluminum Co. of America alone 112,000 kilowatts of electric energy, which is more than the entire installed or future generating capacity of Norris Dam. This is the same Mellon Aluminum Trust that the Department of Justice is now proceeding against for violation of antitrust laws. It might be a good idea to change the name of the Norris Dam to "the Mellon Dam" and then there would be no inconsistency. The terms of these contracts as to time are more fully covered below. (See below III, Terms of contracts and information concerning Aluminum Co. of America.)

POLICY OF CONGRESS—HAS T. V. A. FOLLOWED IT?

Now, what does this mean? This means that there are only 62,650 kilowatts left for the Federal Government, States, municipalities, and cooperatives, when the law requires that

T. V. A. not only give preference to municipalities and cooperatives but that it is the declared policy of the T. V. A. Act to distribute this power primarily to domestic consumers.

The act specifically provides:

> * * * and in the sale of such current by the Board, it shall give preference to States, counties, municipalities, and cooperative organizations of citizens or farmers, not organized or doing business for profit, but primarily for the purpose of supplying electricity to its own citizens or members. (May 18, 1933, ch. 32, sec. 10, as amended August 31, 1935, ch. 836, sec. 6, 49 Stat. 1076.)

It further provided:

> It is hereby declared to be the policy of the Government so far as practical to distribute and sell the surplus power generated at Muscle Shoals equitably among the States, counties, and municipalities within transmission distance. This policy is further declared to be that the projects herein provided for shall be considered primarily as for the benefit of the section as a whole and particularly the domestic and rural consumers to whom the power can economically be made available, and accordingly that sale to and use by industry shall be a secondary purpose. * * * (May 18, 1933, ch. 32, sec. 11, 48 Stat. 64.)

(See also Annual Report of T. V. A. for 1936, pp. 8, 25.)

Congress laid down a policy; has T. V. A. followed this policy?

It appears from any reasonable inquiry into the law that T. V. A. in contracting away the greater part of this power to great industrial monopolies is in direct violation of the context and purpose of the act. When this power is contracted away to price-fixing industrial monopolies the domestic consumer cannot get any benefit from the power at all.

Manifestly T. V. A. in contracting away approximately 82 percent of this power to these industrials is reversing not only the intention of Congress but also the expressed policy as laid down in the act by making the distribution of power to industrials and cooperatives a "byproduct" of the primary sales to industrials.

It appears to be a case where the good old dog, T. V. A., owned by the public, is getting a terrific wagging from these industrial corporations. The Arkansas Power & Light Co. contract becomes insignificant when compared with these industrial contracts, but the Arkansas Power Co. precedents established are equally as bad, if not worse.

DEFENSE OF T. V. A.: LITIGATION, PLENTY OF POWER AVAILABLE?

On the other hand, T. V. A. defends these contracts by saying that the Authority has been tied up in all kinds of Power Trust litigation, and the statement that they have been tied up is true.

That is another reason for investigation—the Power Trust litigations.

T. V. A. claims that within a week after the three-judge court had definitely determined the T. V. A. was constitutional three municipalities were signed up; that before that people were afraid to sign up on account of litigation.

More, the T. V. A. says that plenty of power will be available for municipalities and cooperatives; that in the meantime they make $2,500,000 per annum out of four companies.

This sounds good; it makes good reading. But what is the purpose of the T. V. A.? Is the immense investment of the people to be diverted to selling power to monopolies, jeopardizing the sale to the consuming public at low rates? And if precedents are established similar to the Arkansas Power & Light Co., the result may be some trick contracts to holding companies who, with a series of other companies, will evade the intention of the act entirely.

It seems sickeningly futile and brazenly hypocritical for Congress to be setting out policies, for the New Deal to be fighting monopolies, and then turning around and playing the taxpayer's ball with holding companies and monopolies.

Because of the consistent fight of the President for public power, and the change in the complexion of our courts, especially the Supreme Court, the Power Trust has been beaten to its knees. The Power Trust is screaming, with one of its most artful screamers, Brother Wendell Willkie, screaming off a song that would make a man of iron heart weep like a water bucket punched with holes.

I ask—and I know the American people want to know—in such a case, are we going to sell our birthright for a very messy mess of pottage?

EIGHTY-TWO PERCENT POWER TO PRIVATE INDUSTRIAL MONOPOLIES

I wonder what is all this business of handing over some 82 percent of the installed generating capacity to these industrial monopolists. Was it a scheme to defeat the power program of the President by tieing up cheap power for 20 years or more; was it deliberate on the part of the T. V. A., or what was it?

I do not know, but Congress ought to find out and correct the situation and also force the following of its policies in the future. In any event, I have some interesting evidence; it should be considered.

It follows:

NEW YORK PUBLIC SERVICE COMMISSION OPINION CONCERNS AUTHORITY

In an opinion of the Public Service Commission for the State of New York, in case No. 9002, in the matter of the proceedings on motion of the commission as to rates, charges, classification, or regulations of the Niagara Falls Power Co., decided May 25, 1937—page 6—the commission quotes the following testimony of a representative of one of these large industrial combinations which have the cheap power at Niagara Falls tied up:

> We are approached by T. V. A. with offers of blocks of power such as we use here at a price as low or lower than we are paying in Niagara Falls, and also, as Mr. Gormerly has pointed out, for a term of 20 years.
>
> We do not doubt that we could get it with a provision for renewal of contract at the end of 20 years.

The Mr. Gormerly referred to is the same Mr. Gormerly whose signature is attached to the Electro Metallurgical contract with T. V. A., which contract cannot be canceled by T. V. A. for a period of 20 years. (See p. 320 of the Annual Report of T. V. A. for 1937.) Therefore, I think an investigation should determine whether T. V. A. has been actually peddling this power to these industrial monopolies for long-term periods.

Congress did not intend that the cheap power produced by T. V. A. should be exploited by the same industrial monopolies which have practically all the available cheap hydroelectric power tied up elsewhere in this country today, to the exclusion of the great masses of domestic consumers.

I believe that even the most enthusiastic friends of T. V. A., and I class myself as one, should welcome an investigation of the disposal of power from these projects. I do not like the way things are going.

SHALL T. V. A. BE SWALLOWED UP BY PRIVATE MONOPOLIES?

I am not interested in pulling anyone's chestnuts out of the fire. Let us have a full disclosure of the facts, and let it hit whomever, whatever practice or policy ought to be hit. Let us be certain that the people's electricity is not monopolized by a greedy few. It would be a silly and a tragic situation if this great public enterprise, paid for by the public and created by them and for them, should be diverted by giving its fruits to private, selfish monopolies. One thing is sure: The gobbling up of this power by these great monopolies must be stopped, because if it keeps on at the rate it is now going the great mass of the people will be deprived of a cheap source of electricity, produced by T. V. A.

Mr. Speaker, the matter which I have submitted is documented by the Annual Report of T. V. A. and other matter.

But I suggested in the beginning that this investigation be expanded to include all monopolies. And I think this should be done, for all independent business is directly affected by what monopolies do. If monopolies are permitted to go wholly unregulated, to raise prices at will, to indulge in practices of waste, this destroys the market of the capitalistic business or endeavor and destroys free competition.

Manifestly, certain great industrial and utility monopolies are making a desperate fight to hamstring and defeat the President's power program by monopolizing all of the cheap public power, and it looks as if the Power Trust has gotten in some very shrewd and hard knocks.

So, let us have the investigation.

I. ARKANSAS POWER & LIGHT

The Tennessee Valley Authority Act provides:

And provided further, That as to any surplus power not so sold as above provided to States, counties, municipalities, or other said organizations, before the Board shall sell the same to any person or corporation engaged in the distribution and resale of electricity for profit, it shall require said person or corporation to agree that any resale of such electric power by said person or corporation shall be made to the ultimate consumer of such electric power at prices that shall not exceed a schedule fixed by the Board from time to time as reasonable, just, and fair; and in case of any such sale, if an amount is charged the ultimate consumer which is in excess of the price so deemed to be just, reasonable, and fair by the Board, the contract for such sale between the Board and such distributor of electricity shall be voidable at the election of the Board (May 18, 1933, c. 32, sec. 12, 48 Stat. 65).

Notice that the word "shall" is used here. It is not discretionary, therefore, with the Authority to fix the resale rate for power, but it is mandatory. There is this further provision in this regard which should be noted, which was made a part of the act in 1935:

Provided further, That the Board is authorized to include in any contract for the sale of power such terms and conditions, including resale rate schedules, and to provide for such rules and regulations as in its judgment may be necessary or desirable for carrying out the purposes of this chapter, and in case the purchaser shall fail to comply with any such terms and conditions, or violate any such rules and regulations, said contract may provide that it shall be voidable at the election of the Board (May 18, 1933, c. 32, sec. 10, as amended Aug. 31, 1935, c. 836, sec. 6, 49 Stat. 1076).

However, this latter provision in no way modifies the Commission's obligation to fix resale rates under the first quoted provision. It will be noted that the word "may" is used in this latter provision instead of "shall."

Section 12, the Arkansas Power & Light contract (Annual Report of T. V. A., 1937, p. 299) provides:

12. Resale of power: (a) This agreement is made by Arkansas Co., in lieu of the construction by it of additional electric generating facilities, to supply power to meet the expanding requirements of Arkansas Co.'s own consumers, and in substitution for other power purchases by Arkansas Co., and not for resale to other utilities. It is recognized that Arkansas Co., in the ordinary conduct of its business, purchases power from and sells power to other utilities, and that the power purchased hereunder will form a part of the aggregate power supply from which such sales will be made. Arkansas Co. agrees, however, that except as it may sell power to other utilities in the ordinary conduct of its business, it will not, directly or indirectly, subcontract or resell to any utility all or any part of the power purchased by it hereunder.

(b) If Arkansas Co. shall resell to the ultimate consumer any power supplied by Authority hereunder, for an amount which is in excess of any applicable schedule fixed by Authority for the resale of such power, the remedy of Authority shall be to cancel this agreement; and if Authority shall elect to cancel this agreement for the cause aforesaid, such cancelation shall be effected by delivering to Arkansas Co. 2 years' written notice of intention to cancel this agreement. If any schedule for the resale of such power fixed by Authority shall in the judgment of Arkansas Co. be or become less than a fair and reasonable schedule of rates for the service to be rendered thereunder, and Arkansas Co. shall so advise Authority and Authority should within 60 days after written request so to do fail or refuse to agree to a new schedule of resale rates which in the judgment of Arkansas Co. shall be fair and reasonable, Arkansas Co. shall thereupon have the right to cancel this agreement at any time within 2 years after Authority shall have failed or refused to agree to such new schedule by delivering to Authority written notice of intention to cancel this agreement on a date within such 2-year period to be specified in such notice.

If either party shall notify the other of its intention to cancel this agreement pursuant to this section 12 (b), Arkansas Co. shall not be required to reduce its then applicable rate schedules prior to the effective date of the cancelation.

It will be noted that under section 12 (b) of this contract it is provided that T. V. A. may cancel the contract upon 2 years' written notice if the Arkansas Power & Light Co. does not fix its resale rates to domestic consumers according to the T. V. A. schedule. It will also be noted further that the Arkansas Power & Light Co. is not required to so reduce its rates according to the T. V. A. schedule during this 2-year period. In other words, under the provisions of this contract the Arkansas Power & Light Co. can continue for a period of 2 years to charge its domestic consumers any rate it sees fit for T. V. A. power. This, of course, appears to be in direct violation of the above-quoted section of the T. V. A. Act.

Why did not T. V. A. provide that if the T. V. A. resale schedule was not complied with immediately the contract would immediately be canceled as the act provided? Under the terms of this contract T. V. A. may not even elect to cancel the agreement, or may fix any sort of resale rates at any time which may be much higher than is charged by municipalities and cooperatives.

JOKER IN CONTRACT—IS IT A DELIBERATE TRICK?

Furthermore, there is a joker in this section 12. Section 12 (b) provides that T. V. A. shall have authority to fix the resale rates only in case the Arkansas Power & Light Co. sells the power to the ultimate consumer. Under the provisions of section 12 (a) it is possible that none of this power will be delivered to the ultimate consumers, but may be sold to other utilities, affiliates of the Arkansas Power & Light Co., or other companies, in which case T. V. A. would have no supervision over the resale of the power, in which case the contract would run for the full 5-year initial period without any resale supervision (sec. 1, p. 294). To say the least, this Arkansas Power & Light contract does not comply with the spirit of the act and it is very doubtful as to whether it comes within the letter of the act.

I am not in favor of any contracts with private utilities which provide for the sale of T. V. A. power, which do not provide that the power shall be resold to domestic consumers unless at prices fixed by T. V. A. schedules. I am not in favor of turning this power over to these utilities who have been robbing the people for years by charging excessive rates without seeing to it that they do not continue to charge the consumer high rates and pocket the profits of cheap T. V. A. power, but, as stated above, this Arkansas Power & Light contract is nothing as compared to the industrial contracts. If this power is contracted away to these great industrial price-fixing monopolists, the domestic consumers will get absolutely no benefit from the power whatsoever.

II. CONTRACTS OF T. V. A.

Analysis of T. V. A. power contracts for the disposition of power, October 1937

	Total customers served by contractors, June 30, 1937	Type of service under contract	Date of contract	Date of initial T. V. A. service	Character of load contracted for
MUNICIPALITIES NOW SERVED					
1. Amory, Miss.	880	Wholesale	Mar. 9, 1934	Sept. 2, 1934	Entire requirements.
2. Athens, Ala.	1,651	do	Apr. 6, 1934	June 1, 1934	Do.
3. Bolivar, Tenn.	310	do	Dec. 31, 1935	July 20, 1936	Do.
4. Dayton, Tenn.	838	do	Sept. 12, 1934	Feb. 19, 1935	Do.
5. Dickson, Tenn.	831	do	Oct. 23, 1935	May 12, 1936	Do.
6. Florence, Ala.	2,565	do	July 6, 1936	July 15, 1936	Do.
7. Holly Springs, Miss.	627	do	Nov. 12, 1935	May 15, 1936	Do.
8. Jackson, Tenn.[1]	(1)	do	Oct. 16, 1935	July 18, 1936	Do.
9. Milan, Tenn.	674	do	Dec. 31, 1935	do	Do.
10. Muscle Shoals City, Ala.	130	do	Jan. 19, 1935	Oct. 14, 1933	Do.
11. New Albany, Miss.	1,524	do	Sept. 13, 1934	Nov. 12, 1934	Do.
12. Okolona, Miss.	734	do	Apr. 23, 1935	July 14, 1935	Do.
13. Pulaski, Tenn.	1,021	do	Mar. 8, 1934	Jan. 4, 1935	Do.
14. Sheffield, Ala.	113	do	Mar. 16, 1936	Mar. 16, 1936	Do.
15. Somerville, Tenn.	261	do	Dec. 31, 1935	July 25, 1936	Do.
16. Tupelo, Miss.	1,947	do	Sept. 13, 1933	Feb. 7, 1934	Do.
17. Tuscumbia, Ala.	993	do	Mar. 8, 1937	Apr. 1, 1937	Do.

[1] Municipal service only.

II. CONTRACTS OF T. V. A.—continued

Analysis of T. V. A. power contracts for the disposition of power, October 1937—Continued

	Total customers served by contractors, June 30, 1937	Type of service under contract	Date of contract	Date of initial T. V. A. service	Character of load contracted for
COOPERATIVES NOW SERVED					
1. Alcorn County E. P. A.	2,401	Wholesale	June 1, 1934	June 1, 1934	Entire requirements.
2. Cullman County E. M. C.	972	do	Aug. 4, 1936	Aug. 8, 1936	Do.
3. Duck River E. M. C.	501	do	Oct. 31, 1936	May 27, 1936	Do.
4. Gibson County E. M. C.	790	do	Aug. 13, 1936	Aug. 13, 1936	Do.
5. Joe Wheeler E. M. C.		do	Sept. 24, 1936	Oct. 1, 1937	Do.
6. Meigs County E. M. C.	521	do	Oct. 14, 1935	Aug. 6, 1936	Do.
7. Middle Tennessee E. M. C.	671	do	Aug. 13, 1936	Dec. 10, 1936	Do.
8. Monroe County E. P. A.	373	do	July 19, 1935	Feb. 15, 1936	Do.
9. North Georgia E. M. C.	1,537	do	June 15, 1936	July 14, 1936	Do.
10. Pickwick E. M. C.	729	do	Aug. 26, 1936	Apr. 21, 1936	Do.
11. Pontotoc E. P. A.	1,026	do	Feb. 15, 1935	June 1, 1934	Do.
12. Prentiss County E. P. A.	953	do	June 13, 1935	do	Do.
13. Southwest Tennessee E. M. C.		do	Dec. 9, 1936	July 1, 1937	Do.
14. Tishomingo County E. P. A.	725	do	July 19, 1935	June 1, 1934	Do.
15. Tombigbee E. P. A.	2,369	do	Oct. 19, 1935	do	Do.
MUNICIPALITIES NOT YET SERVED					
1. Chatannooga, Tenn.		do	June 17, 1937		Do.
2. Knoxville, Tenn.		do	Feb. 19, 1936		Do.
3. Memphis, Tenn.		do	Nov. 23, 1935		Do.
4. Trenton, Tenn.		do	Aug. 23, 1937		Do.
5. Decatur, Ala.		do	Mar. 14, 1934		Do.
6. Russelville, Ala.		do	Mar. 13, 1934		Do.
7. Jackson, Tenn.		do	Sept. 1, 1937		Do.
8. Middlesboro, Ky.		do	July 29, 1937		Do.
9. Guntersville, Ala.		do	May 21, 1937		Do.
COOPERATIVES NOT YET SERVED					
1. Northeast Mississippi E. P. A.		do	Mar. 26, 1937		Do.
INDUSTRIALS NOW SERVED					
Alabama Asphaltic Limestone Co.		Direct	May 1, 1936	May 1, 1936	300 kilowatts firm.
Goodyear-Decatur Mills		do	do	do	3,000 kilowatts firm.
Lacey Asphaltic Limestone Co.		do	May 13, 1937	May 18, 1937	300 kilowatts firm.
L. & N. railroad shops		do	May 1, 1936	May 1, 1936	Do.
Rockwood, Ala., Stone Co.		do	do	do	1,000 kilowatts firm.
Robbins Rubber Co.		do	do	Dec. 4, 1934	300 kilowatts firm.
Wade & Richey Mining Co.		do	May 1, 1937	Apr. 28, 1937	150 kilowatts firm.
Monsanto Chemical Co.		do	June 15, 1936	Aug. 6, 1936	17,500 kilowatts firm, 32,500 kilowatts secondary.[2]
Aluminum Co. of America		Direct and interruptible	July 17, 1936 July 20, 1937	Dec 31, 1936 June 1, 1938	30,000 kilowatts firm, 82,000 kilowatts secondary.[3]
INDUSTRIALS NOT YET SERVED					
Electro Metallurgical Co.		Direct	Aug. 17, 1937	June 1, 1939	24,000 kilowatts firm, 16,000 kilowatts secondary.[4]
Victor Chemical Co.		do	July 21, 1937	Feb. 1, 1938	16,000 kilowatts firm, 16,000 kilowatts secondary.[5]
Sardis Dam		Wholesale	June 3, 1937		8,000 kilowatts firm.
UTILITIES NOT YET SERVED					
Arkansas Power & Light Co.		do	June 16, 1937		20,000 kilowatts firm, 20,000 kilowatts secondary.[6]
TEMPORARY DIRECT SERVICE					
Alabama Power District	458	Direct		May 1, 1936	Entire requirements.
Colbert County, Ala.	497	do		Oct. 20, 1934	Do.
Lauderdale County, Ala.	1,076	do		Dec. 4, 1934	Do.
Lincoln County, Tenn.	646	do		Oct. 1, 1935	Do.
Knox, Roane, Union, and Anderson Counties, Tenn.	428	do			Do.

[2] Initial delivery after commencement of operations was 8,500 kilowatts firm and 8,000 secondary. Under contract customer can increase its load to 17,500 kilowatts firm and 32,500 kilowatts secondary, prior to Nov. 1, 1943.

[3] The contract of July 17, 1936, provided for an interchange of 12,000 kilovolt-amperes and the sale of 20,000 kilovolt-amperes of "at will power." This contract was amended as of July 20, 1937, to provide for the sale of an additional 20,000 kilovolt-amperes of "at will power." Another contract was entered into as of July 20, 1937, providing for the sale of 30,000 kilowatt firm and 30,000 kilowatt "run of stream" secondary; that is, power available 75 percent of the time.

[4] The contract calls for an initial delivery of 8,000 kilowatts firm but under the terms of the contract it is possible for the company to increase its requirements up to a total of 24,000 kilowatts firm and 16,000 kilowatts "run of stream" secondary prior to Oct. 1, 1941.

[5] The contract calls for an initial delivery of 8,000 kilowatts firm but under the terms of the contract it is possible for the company to increase its requirements up to a total of 16,000 kilowatts firm and 16,000 kilowatts "run of stream" secondary prior to Mar. 1, 1941.

[6] The contract provides for delivery of power as follows:
Date of initial service to June 30, 1938, 10,000 kilowatts interruptible.
July 1, 1938, to June 30, 1939, 15,000 kilowatts firm, 15,000 kilowatts interruptible.
July 1, 1939, to June 30, 1940, 20,000 kilowatts firm, 20,000 kilowatts interruptible.
July 1, 1940, to June 30, 1941, 25,000 kilowatts firm, 15,000 kilowatts interruptible.
July 1, 1941, to June 30, 1942, 30,000 kilowatts firm, 10,000 kilowatts interruptible.
After June 30, 1942, 35,000 kilowatts firm, 5,000 kilowatts "run of stream" secondary.

III. TERMS OF CONTRACTS AND INFORMATION CONCERNING ALUMINUM CO. OF AMERICA

The terms of the principal industrial energy contracts are as follows:

Aluminum Co. of America contracts cannot be canceled for a period of 10 years and may run for a period of 30 years. Section 5 of amendatory agreement of July 20, 1937, to agreement of July 17, 1936, page 314, Annual Report T. V. A., 1937, and section 18, contract of July 20, 1937, page 312.

Electro Metallurgical Co. contract of August 17, 1937, cannot be canceled by T. V. A. before the end of 20 years, but can be canceled by customer at any time (sec. 3, p. 316, 1937 Annual Report).

Victor Chemical Works contract, dated July 2, 1937. T. V. A. cannot cancel for a period of 20 years, but customer may at the end of 5 years (sec. 3, p. 303, 1937 Annual Report).

Monsanto Chemical Co. contract, dated May 15, 1936. T. V. A. cannot cancel for a period of 20 years if customer exercises option to extend (sec. 3, p. 196, of 1936 Annual Report).

These contracts are effective for a period of 10 to 20 years in spite of the fact that it is expressly provided in the T. V. A. Act (sec. 831 (i), title 16, V. S. C. A.):

That all contracts made with private companies or individuals for the sale of power which is resold for a profit shall contain a provision authorizing the Board to cancel said contract upon 5 years' notice in writing if the Board needs said power to supply the demands of States, counties, or municipalities. (May 18, 1933, c. 32, s. 10, as amended August 31, 1935, c. 1935, c. 836, s. 6, 49 Stat. 1076.)

Of course, from a technical standpoint probably this language may only prohibit T. V. A. from making contracts effective longer than 5 years with persons who resell the power or other public utilities. However, in any case when T. V. A. makes contracts with industrials which cannot be canceled for a period of 20 years, or even 10 years, it violates the spirit of the T. V. A. Act, if not the letter of the act. Under these industrial-energy contracts T. V. A. cannot cancel them for 10 to 20 years regardless of the fact that States, municipalities, and cooperatives may need the power.

ALUMINUM CO. OF AMERICA

In the case of the Aluminum Co. of America alone, T. V. A. has contracted away approximately 112,000 kilowatts (pp. 24, 150, 309, and 315 of the annual report for 1937), which is more than the installed or possible generating capacity of Norris Dam (pp. 61 and 62 of the annual report for 1937). These Aluminum Co. contracts are 20-year contracts, which cannot be canceled for a period of 10 years. (Authority above.)

The first sentence of section 5 of this amendatory agreement reads as follows:

This amendatory agreement shall take effect at midnight of December 31, 1937, and shall continue in effect until midnight of December 31, 1947, except that the parties may at any time prior thereto extend the agreement for an additional period of 5 years; and if so extended, the parties may at any time prior to midnight of December 31, 1952, by agreement extend this agreement until midnight of December 31, 1957.

As noted, the 1936 contract as amended by the amendatory agreement of December 31, 1937, may be extended until December 31, 1957, which makes it effective for a possible period of over 30 years, when the act provides that no contract shall be made for a term exceeding 20 years. (May 18, 1933, ch. 32, sec. 10, as amended August 31, 1935, ch. 836, sec. 6, 49 Stat., p. 1076.)

Moreover, T. V. A. is restricted by these contracts from selling power to any competitor of the Aluminum Co. of America or to a person producing commodities which might possibly compete with the Aluminum Co., or anyone else at a price less than it sells power to the Aluminum Co. What are we doing, building up private monopolies at the taxpayers' expense? (See sec. 6 of contract of July 17, 1936, p. 152 of the annual report, 1937; and sec. 2 of the amendatory agreement of July 20, 1937, p. 314; and sec. 10 of the contract of July 20, 1937, p. 311.) In other words, the Aluminum Co. is not content to gobble up the complete generating capacity of Norris Dam, but it fixed the price at which T. V. A. can sell power to other persons who might possibly compete with it.

Is this legal; and if legal, in the public interest? Congress should find out.

Is this preferential treatment for the Aluminum Co. of America and the Mellon family? Are we, the people, to build a dam at the people's expense, then accept an alleged $10,000,000 art gallery from the Mellon trustees, and then turn around and give the Aluminum Co. a $36,195,833.15 power project (p. 103 of the T. V. A. Annual Report, 1937)?

Moreover, T. V. A. has been crying about not having enough money to build transmission lines; but it had enough money to build a 35-mile transmission line from Norris Dam to Aluminum Co.'s plant at Alcoa, Tenn., over which to deliver this power. (See sec. 5 of the contract between the Aluminum Co. of America and T. V. A., dated July 17, 1936, p. 151 of the Annual Report of T. V. A. for 1937; and also p. 91.)

Furthermore, apparently the Aluminum Co. is now in the process of likewise tieing up the power from the Hiwassee Dam at the Fowler Bend site, now under construction, by the same process that it tied up the Norris Dam power. The Aluminum Co. agreement of July 17, 1936, provides for an interchange of power identical with the method used to tie up Norris Dam power. (See secs. 1, 3, and 13 of contract of July 17, 1936, p 151 of the annual report for 1937.)

As stated above, the other major industrial contracts cannot be canceled by T. V. A. until the end of 20 years, but may be canceled by the customer at any time.

PERMISSION TO ADDRESS THE HOUSE

Mr. SAUTHOFF. Mr. Speaker, I ask unanimous consent to address the House for 3 minutes.

Mr. RAYBURN. Reserving the right to object, Mr. Speaker, I would be violating the promise I made the House if I did not object to a request to address the House for longer than 1 minute before the completion of the legislative program of the day.

Mr. SAUTHOFF. Would the gentleman object to a request to address the House for 1 minute?

Mr. RAYBURN. No.

Mr. SAUTHOFF. Mr. Speaker, I modify my request and ask unanimous consent to address the House for 1 minute.

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

There was no objection.

Mr. SAUTHOFF. Mr. Speaker, I ask that the Clerk read the resolution which I send to the desk.

The Clerk read as follows:

Whereas under the Constitution the Congress is the only arm of the Government that has the right and the power to declare war; and

Whereas the right and the power to declare war carries with it the equally grave responsibility of keeping our people out of war; and

Whereas the President, in his special message of January 28, 1938, specifically sets forth that "at least one-fourth of the world's population is involved in merciless devastating conflict * * * armies are fighting in the Far East and in Europe"; and

Whereas in that same message the President urges a vast expenditure of funds for the building of additional ships for the Navy for the national defense of this country; and

Whereas the United States of America has for 150 years adhered to a policy which Washington expressed in his Farewell Address as "friendly relations with all; entangling alliances with none"; and

Whereas the people of the United States, as a free people, have departed from that policy only once, in 1917, and most of them now believe that that departure was an unqualified mistake; and

Whereas there seems to be great confusion in the public mind as to the purpose and policies of the present administration, the majority believing that this country is again to depart from its historic policy; and

Whereas we believe that a unified people is the strongest national defense, and an open, straightforward foreign policy wins the respect of all nations: Therefore be it

Resolved, That the House of Representatives respectfully requests the President of the United States to immediately make a statement to the House of Representatives as to the following matters:

1. Why should a policy of neutrality be enforced as to Europe and not as to the Far East?

2. Why should arms, munitions, and implements of war, loans and credits, and raw materials be furnished to so-called "pirate nations"?

3. For what war in 1942 or 1943 are we preparing, since this naval program cannot be completed until that time?

4. What understandings or agreements have been made with France and Great Britain, or either of them, relative to future wars?

5. Does the President of the United States intend to pursue the historic policy of the United States as laid down by Washington, or does he expect to depart from it, as was done in 1917?

Mr. WEST. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

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

There was no objection.

Mr. WEST. Mr. Speaker, shortly before the holidays the Florida delegation gave the Membership an opportunity to sample the merits of Florida grapefruit at which time the gentleman from Illinois [Mr. KELLER] made the statement on the floor the Texas delegation had boasted Texas grapefruit was the best in the world. He challenged them to furnish Congress a sample and let the Membership decide on the respective qualities. I am happy to announce on behalf of the Texas delegation we will tomorrow place Texas pinks in the cloakroom and invite each and all to sample them.

We desire particularly to call your attention to the fact that it is not necessary to take aspirin and bicarbonate of soda with Texas grapefruit, in fact you do not even need to add sugar, as it does not contain quinine. [Laughter and applause.]

EXTENSION OF REMARKS

Mr. CARTER. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein a radio address I recently delivered on wildlife legislation.

I also ask unanimous consent to extend my own remarks in the RECORD and include therein an address made by Mr. Minor Hudson, national director of the United States Junior Chamber of Commerce, on the question of wildlife conservation.

Mr. RICH. Reserving the right to object, Mr. Speaker, may I ask my colleague if it is not contrary to the custom of the House to request the inclusion in the RECORD of addresses of under secretaries or minor officials of the various Government departments? If we continue this practice the CONGRESSIONAL RECORD will eventually be not a record of the proceedings of Congress but a record of the addresses of various men in the departments and men in different vocations all over the United States. In that event, the RECORD will not at all represent the proceedings of Congress.

Mr. CARTER. Does the gentleman desire to have my views on the subject?

Mr. RICH. The request should be objected to, but I am not going to object. I just want to call attention to the fact this practice is wrong.

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

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. JENKINS of Ohio. Mr. Speaker, I ask unanimous consent to address the House for one-half minute.

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

There was no objection.

Mr. JENKINS of Ohio. Mr. Speaker, a few days ago I delivered an address on the floor of the House in which I touched on some of the incidents in the life of William McKinley. The editor of the Cincinnati Enquirer, one of the leading newspapers in America and a paper that has a wide circulation in my district and in all parts of southern Ohio, took occasion to criticize me with reference to one phase of my speech. I feel that one in public life must expect to be criticized if he does anything at all, and I recognize that one of the functions of a newspaper is to inform its readers on public questions; hence I seldom make any public comment on what they say about me. But, when I know that a man holding the position of editor of this famous and faithful old organ of the Democratic Party slips a little, in his failure to carefully differentiate between two very different principles of tariff legislation, I feel that I would be doing this gentleman a favor if I were to "put him in his place." Of course none appreciates more than I the impossible task that an average citizen has of keeping any editor "put," especially through that editor's own paper, so I shall not expect to engage this gentleman in any continued story battle.

He heads his editorial "Bad History." Far be it from me to suggest to this accomplished critic that there is no such thing as bad history. History is neither bad nor good, it is simply history. If it is not history it just is not history, that is all.

Here is what he said in the Cincinnati Enquirer of February 2.

> Representative THOMAS JENKINS of Ohio makes a practice of delivering a eulogy of President William McKinley each year. He did so this year before the House, but he made the grievous error—being a somewhat partisan Republican—of using McKinley as a peg on which to hang an indictment of the reciprocal-tariff program of Secretary Cordell Hull.
>
> Mr. JENKINS cited McKinley's tariff record as a justification of a high tariff. That is understandable. But he also cited McKinley's policies as a condemnation of reciprocal-trade pacts. If JENKINS knew as much about McKinley as an annual eulogist of McKinley should know, he would realize that the first President to negotiate reciprocal-trade pacts was none other than William McKinley, Republican, Ohio.
>
> The tariff bill of 1897 made provision for reciprocal-tariff treaties with foreign countries. President McKinley made the first bargains with foreign nations under this grant of authority. President Theodore Roosevelt followed this example and negotiated other treaties of the same sort. Between them these two Presidents made nine tariff agreements very similar in general nature to those made by Secretary Hull in the last 3 years.
>
> It's not important, this whole matter. But since Representative JENKINS wants to honor McKinley, he ought really to study McKinley's record as President, which changes considerably the impression one gets from his previous tariff activities as a Member of Congress.

In the first place he suggests that I am "a somewhat partisan Republican." I am a Republican and am against some of the programs of the present administration. Many lifelong Democrats in the House and Senate agree with me in this respect. Many of them do not agree with the Hull policies as to foreign-trade agreements. Their opposition and mine is not partisan but patriotic.

My very distinguished critic has this to say:

> If Mr. JENKINS knew as much about McKinley as an annual eulogist of McKinley should know, he would realize that the first President to negotiate reciprocal-trade pacts was none other than William McKinley, Republican, Ohio.

I can hardly understand this criticism in view of the fact that all editors admonish all their reporters to "get the facts." The facts are that I do realize that McKinley did negotiate trade agreements. I say in my address referred to by the editor:

> McKinley, who is considered by many as the father of reciprocity as it applies to the tariff maintained—

And so forth. That should be plain enough to advise the gentleman that I am glad to proclaim to the world that McKinley was the father of reciprocal-trade agreements.

Now that the trivialities are out of the way, let us proceed to that part of this article where the editor gives his version of the facts and let us see if it is not his statements that are "bad history." He says that President McKinley made trade agreements with foreign nations. Likewise, he says Theodore Roosevelt also made such agreements. That is all "good history." Then he says that these agreements were "very similar in general nature to those made by Secretary Hull." Here is where his history is "bad history." In fact, it is simply "awfully bad history."

By the act of 1897 Congress authorized the President to suspend the tariff duties on certain definitely designated articles if and when he could make advantageous tariff agreements with reference to American products. Congress gave the President direct and strict orders which he was authorized to carry out strictly as an Executive. He was to have no legislative discretion whatever. He was also given power to take from the free list certain specifically enumerated articles when any country from which they came discriminated against our products. The law specifically provided the duties that were to be levied in such cases. The President was given no authority to fix rates or to select the articles to be considered. He was given no legislative power.

This law also gave the President certain broad powers for the making of reciprocal-trade treaties. Let me quote:

> That whenever the President of the United States, by and with the advice and consent of the Senate, with a view to secure reciprocal trade with foreign countries, shall, within the period of 2 years from and after the passage of this act, enter into commercial treaty or treaties with any other country or countries concerning the admission into any such country or countries of the goods, wares, and merchandise of the United States and their use and disposition therein, deemed to be for the interests of the United States, and in such treaty or treaties, in consideration of the advantages accruing to the United States therefrom shall provide for the reduction during a specified period, not exceeding 5 years, of the duties imposed by this act, to the extent of not more than 20 percent thereof, upon such goods, wares, or merchandise as may be designated therein of the country or countries with which such treaty or treaties shall be made as in this section provided for; or shall provide for the transfer during such period from the dutiable list of this act to the free list thereof of such goods, wares, and merchandise, being the natural products of such foreign country or countries and not of the United States; or shall provide for the retention upon the free list of this act during a specified period, not exceeding 5 years, of such goods, wares, and merchandise now included in said free list as may be designated therein; and when any such treaty shall have been duly ratified by the Senate and approved by

Congress, and public proclamation made accordingly, then and thereafter the duties which shall be collected by the United States upon any of the designated goods, wares, and merchandise, from the foreign country with which such treaty has been made shall, during the period provided for, be the duties specified and provided for in such treaty, and none other.

In the first place you will notice the words "by and with the advice and consent of the Senate." That means that the President has been given no power except "by and with the consent of the Senate." It is further to be noted that this section carries this language, "and approved by Congress."

From all this it is seen under the foregoing provision of the 1897 law such trade treaties must be approved by Congress. Under the present law no consent of even the Senate is required to enter into treaties and agreements seeking to do the same thing, and no approval of such agreements thus entered into is required of Congress.

Thus it will be seen that under the first two categories of foreign-trade agreements provided for under the 1897 act the consent of Congress was not necessary to approve such agreements because Congress had specifically provided in advance what articles were to be considered and the amount of the reduction of the duty. In the third category, where general discretionary powers were given the President to enter trade agreements, provisions were made that his action must always be approved by the Congress. Under the former law, the President could do nothing except in an executive way and according to a definite formula laid down by Congress. Under the present law he can make treaties, reduce duties, in secret negotiations, just about as he pleases.

My critic may, if he please, take the position that it makes no difference whether Congress or the Senate has anything to do with these important matters. He may go so far as to say that the Senate and Congress are superfluous—and he will find some who agree with him, but I should like to point out to him that he is running right square into this solemn statement in the Constitution—

SEC. 8. The Congress shall have power to lay and collect taxes, duties, imposts, and excises, to pay the debts and provide for the common defense and general welfare of the United States; but all duties, imposts, and excises shall be uniform throughout the United States.

The Constitution itself gives Congress the exclusive power to levy duties. The President has no such power, and the courts have held that Congress cannot delegate its powers to the President.

The present act under which Secretary Hull is making his agreements provides as follows:—

For the purpose of expanding foreign markets for the products of the United States, etc., the President, whenever he finds as a fact that any existing duties or other import restrictions of the United States or any foreign country are unduly burdening and restricting the foreign trade of the United States and that the purpose above declared will be promoted by the means hereinafter specified, is authorized from time to time—

(1) To enter into foreign-trade agreements with foreign governments or instrumentalities thereof; and

(2) To proclaim such modifications of existing duties and other import restrictions, or such additional import restrictions, or such continuance, and for such minimum periods, of existing customs or excise treatment of any article covered by foreign-trade agreements, as are required or appropriate to carry out any foreign-trade agreement that the President has entered into hereunder.

In the light of the provisions of the Constitution vesting the power to levy duties in the Congress it is difficult to see how this present act can stand. In my remarks which the editor criticizes, I say:

There is grave doubt as to the constitutionality of this present law, but those who prepared it have worded it so as to deny a complainant the same right of appeal as provided under section 516 of the old law. As a result of this refusal of the administration to prevent free open contest of the law in the courts no one has yet been able to bring a case to test the constitutionality of the act.

My critic may still maintain that the Hull agreements are "very similar" to the agreements made under the law of 1897 and subsequent laws, but to my mind his history is "bad history." For instance, this present act gives the President authority to enter into binding reciprocal-tariff agreements with foreign countries and to make concessions in duties pursuant to such agreements, without the necessity of congressional approval of his action. In the other acts Congress retained this power.

It is the theory of the present act that we should not produce in this country any article which can be more efficiently or more economically produced elsewhere. The administration believes that certain of our domestic industries should be sacrificed as a means of gaining larger foreign markets for other industries which are on an export basis. The former acts had as their cardinal principle the protection of the American workingman. Does the gentleman think that the Hull agreements follow the McKinley formula of reciprocity as laid down by himself in his inaugural address, as follows:

The end in view always to be the opening up of new markets for the products of our country by granting concessions to the products of other lands that we need and cannot produce ourselves and which do not involve any loss of labor to our own people but tend to increase their employment.

It is to be noted that McKinley stresses the fact that no goods are to be considered except those "that we need and cannot produce ourselves." And, further, it is to be noted that McKinley stresses the fact that no goods are to be considered which may "involve any loss of labor to our own people." Always he stressed the fact that all of our agreements should deal only with noncompetitive articles, and that the supreme object to be attained was to admit into our country under these agreements only those articles that would not compete with anything that we could produce but which would furnish to our people an opportunity for more work.

Under the present trade-agreements law there is a wide difference between the manner and method of entering into trade agreements as compared to the days of McKinley; but the principal and most disastrous difference and objection is that under the present trade-treaty program reductions have been made on a long list of competitive articles which are produced here in our own country the importation of which involves a loss of labor to our own people. This includes many kinds of articles manufactured from steel, cotton, wool, chemicals, pottery, and all other principal schedules of the Tariff Act.

And, again, the present treaties are not truly reciprocal-trade agreements, because there has been introduced into our trade agreements a new principle that was not employed in the days of McKinley. I refer to the most-favored-nation clause. The particular effect of this is to throw our market open to all the world, while we get concessions only from the treaty countries. The particular effect of this is that if we grant trade concessions to Great Britain, we must, under the most-favored-nation clause, grant the same concessions to Japan and other low-wage countries of the world. The result of this program is now being seen on every hand. Our own American-produced articles are being displaced on the shelves of the merchants of America by articles manufactured in Japan and other low-wage countries.

Further in particular I will say that under the McKinley tariff industry thrived and wages were easily maintained, while under the present theories, if carried out, the inevitable result will be that we will throw open the greatest market in the world to the nations of the world and get practically nothing in return. I am afraid that we will pay for this folly by a general reduction in our standard of living.

EXTENSION OF REMARKS

Mr. JENKINS of Ohio. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein an address I delivered a few days ago before the county commissioners of the great State of Ohio, together with some resolutions that organization adopted in line with recommendations I made to it at that time.

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

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. RICH. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

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

There was no objection.

Mr. RICH. Mr. Speaker, I call attention to the report made by the little-business men of this country who recently met here in conference last week at the invitation of the President. I am not going to ask to have this report placed in the RECORD, but the Members of the House ought to read it. The same business principles that apply to the little fellow apply to the big fellow. They apply to everybody in business. If you do not realize that fact, then you have no business ability nor any business sense. Are you going to encourage business and have the people of this country employed in industry, or is the Congress going to permit the recommendations of little business to go by unheeded, let business suffer an untimely death, let the people remain out of work? Or are you going to follow the recommendations, repeal some of your poor laws, give confidence to business, and jobs to the worker? It is up to this administration to stop experimenting with sound fundamental business principles. It is time this administration restored confidence in business, both small and large.

It is very essential that the Members of the House of Representatives read the report that was made to the President of the United States and then take some action on it if you want the people of this country to find employment. [Applause.]

EXTENSION OF REMARKS

Mr. FISH. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include two radio speeches delivered by myself.

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

There was no objection.

INSPECTION OF MOTOR VEHICLES IN DISTRICT OF COLUMBIA

Mr. PALMISANO. Mr. Speaker, I call up the bill (S. 2194) to provide for the semiannual inspection of all motor vehicles in the District of Columbia, and ask unanimous consent that the proceedings by which the bill was read a third time, passed, and motion to reconsider tabled be vacated.

The Clerk read the title of the bill.

Mr. COCHRAN. Mr. Speaker, reserving the right to object, why does the gentleman want to vacate the proceedings?

Mr. PALMISANO. There was an error with respect to the money going into the general funds. The purpose is to have the receipts go into the funds raised by the gasoline tax.

Mr. COCHRAN. The gentleman is not going to do away with the legislation entirely?

Mr. PALMISANO. No; we are just seeking to make some correction.

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

There was no objection.

Mr. PALMISANO. Mr. Speaker, I offer an amendment to the bill, which I have sent to the desk.

The Clerk read as follows:

Amendment offered by Mr. PALMISANO: Page 1, line 5, after the word "year", strike out "1938" and insert "1939."

Page 1, line 7, strike out "1939" and insert "1940."

Page 2, line 5, strike out "1938" and insert "1939."

Page 2, line 1, strike out the words "revenues of the District of Columbia" and insert in lieu thereof the following: "special fund created by the act entitled 'An act to provide for a tax on motor-vehicle fuels sold within the District of Columbia, and for other purposes', approved April 23, 1924, and the act entitled 'An act to provide additional revenue for the District of Columbia, and for other purposes', approved August 17, 1937."

The amendment was agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

The title was amended to read as follows: "An act to provide for the annual inspection of all motor vehicles in the District of Columbia."

CONSENT CALENDAR

The SPEAKER. This is Consent Calendar day. The Clerk will call the first bill on the calendar.

RED LAKE BAND OF CHIPPEWA INDIANS

The Clerk called the first bill on the Consent Calendar, H. R. 4540, authorizing the Red Lake Band of Chippewa Indians in the State of Minnesota to file suit in the Court of Claims, and for other purposes.

Mr. COCHRAN. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

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

There was no objection.

UNITED STATES BOARD OF AWARDS

The Clerk called the next bill, H. R. 171, to create a United States Board of Awards and to provide for the presentation of certain medals.

Mr. WOLCOTT. Mr. Speaker, I ask unanimous consent that this bill may be passed over without prejudice.

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

There was no objection.

ASSIGNMENT OF OFFICERS OF THE NAVY

The Clerk called the next bill, H. R. 7216, to provide for the assignment of officers of the Navy for duty under the Department of Commerce and appointment to positions therein.

Mr. HAMILTON, Mr. BLAND, and Mr. FADDIS objected, and, under the rule, the bill was stricken from the Consent Calendar.

OSAGE TRIBE OF INDIANS

The Clerk called the next bill, S. 670, authorizing an appropriation for the payment of the Osage Tribe of Indians on account of their lands sold by the United States.

Mr. COCHRAN. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

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

There was no objection.

SAN CARLOS APACHE INDIANS

The Clerk called the next bill, S. 1231, authorizing payment to the San Carlos Apache Indians for the lands ceded by them in the agreement of February 25, 1896, ratified by the act of June 10, 1896, and reopening such lands to mineral entry.

Mr. COCHRAN. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

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

There was no objection.

NATIONAL MONUMENT, CAMP MERRITT, N. J.

The Clerk called the bill (H. R. 71) to provide for the establishment of a national monument on the site of Camp Merritt, N. J.

The SPEAKER. Is there objection?

Mr. WOLCOTT. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection?

There was no obejction.

CIVIL GOVERNMENT IN PUERTO RICO

The Clerk called the bill (H. R. 1486) to amend section 30 of the act of March 2, 1917, entitled "An act to provide a civil government for Porto Rico, and for other purposes."

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 30 of the act entitled "An act to provide a civil government for Porto Rico, and for other

purposes," approved March 2, 1917, as amended, is amended to read as follows:

"SEC. 30. That the term of office of senators and representatives chosen by the first general election shall be until January 1, 1921, and the terms of office of senators and representatives chosen at subsequent elections shall be 4 years from the 2d of January following their election. In case of a vacancy in the office of any senator or representative of the legislature by death, resignation, or otherwise, the Governor, by and with the recommendation of the central committee of the political parties that elected the incumbent, shall appoint such senator or representative to fill the vacancy who shall serve until the next general election and until his successor is elected."

With the following committee amendment:

Page 2, line 6, strike out "parties" and insert "party."

The amendment was agreed to; and the bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

CHOPAWAMSIC RECREATIONAL DEMONSTRATION PROJECT

The Clerk called the bill (H. R. 6351) to provide for the operation of the recreational facilities within the Chopawamsic recreation demonstration project, near Dumfries, Va., by the Secretary of the Interior through the National Park Service, and for other purposes.

The SPEAKER. Is there objection?

Mr. WOLCOTT. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection?

There was no objection.

DIVISION OF FUNDS OF CHIPPEWA INDIANS, MINNESOTA

The Clerk called the bill (H. R. 4544) to divide the funds of the Chippewa Indians of Minnesota between the Red Lake Band and the remainder of the Chippewa Indians of Minnesota, organized as the Minnesota Chippewa Tribe.

The SPEAKER pro tempore (Mr. WOODRUM). Is there objection to the present consideration of the bill?

Mr. COCHRAN. Mr. Speaker, I ask unanimous consent that the bill go over without prejudice.

The SPEAKER pro tempore. Is there objection?

Mr. ROGERS of Oklahoma. Mr. Speaker, I object to that. Why cannot the bill be passed today?

Mr. COCHRAN. I understand that this bill is coming up Wednesday. Why not let it come up at that time?

Mr. ROGERS of Oklahoma. One object would be to get rid of some of these bills now. If the gentleman has no objection to the bill, would it not better be passed at this time?

Mr. COCHRAN. Mr. Speaker, as far as I am concerned, I do not want the bill to go over without prejudice, but I believe it is the duty of the Members of Congress from that district to protect the funds of their Indians. These funds belong to the Indians, as I understand it. If they do not want to protect them, I am not going to protect them. I am going to protect the Treasury on these other bills. If the gentleman wants to consider the bill at this time, I withdraw my request.

The SPEAKER pro tempore. Is there objection to the consideration of the bill?

There being no objection, the Clerk read the bill as follows:

Be it enacted, etc., That the Secretary of the Interior is authorized and directed to determine, as of the date of the passage of this act, the total sum of money in the Treasury of the United States to the credit of the Chippewa Indians of Minnesota derived from the provisions of the act of Congress of January 14, 1889, entitled "An act for the relief and civilization of the Chippewa Indians in the State of Minnesota" (25 Stat. L. 642).

SEC. 2. Upon so determining the amount of money to the credit of said Indians, the Secretary of the Interior is hereby directed to determine what part of said amount represents the interest of the Red Lake Band of Chippewa Indians of Minnesota on the basis of the proportion which the number of Indians on the official annuity roll of the Red Lake Band bears to the number of Indians on the official annuity rolls of all the other bands of Chippewa Indians of Minnesota. The last annuity rolls approved prior to the passage of this act shall be used in making this computation.

SEC. 3. The portion of the total funds of the Chippewa Indians of Minnesota so determined to represent the interest of the Red Lake Band shall be segregated from the said total funds in the Treasury of the United States as the exclusive property of the Red Lake Band and shall be held as a separate and distinct fund which shall be called the Red Lake Chippewa fund and shall be kept intact in the Treasury pursuant to the terms of the said act of January 14, 1889, and shall be administered by the Secretary of the Interior as the separate property of the Red Lake Band. The remainder of said total funds shall be held in the Treasury as the property of the tribal organization of the other Chippewa Indians of Minnesota, known as the Minnesota Chippewa Tribe, and shall be called the Minnesota Chippewa tribal fund. Such fund shall be kept intact in the Treasury pursuant to the terms of said act of January 14, 1889, and shall be administered by the Secretary of the Interior as the separate property of said tribe.

SEC. 4. All future funds derived from any source whatsoever under the provisions of said act of January 14, 1889, or from any use of funds accrued under said act as may have been directed by Congress, shall be divided in the same proportion as the division authorized herein between the said Red Lake Band as of one part and the Minnesota Chippewa Tribe as of the other part, and the portions thereof belonging to each group shall immediately be placed in the Treasury of the United States in the funds named in section 3 of this act, and shall be likewise administered.

With the following committee amendments:

Page 1, line 4, after the word "the", insert "close of the fiscal year next succeeding the."

Page 2, line 2, after the parentheses and the comma, insert "or from any other source."

Page 2, line 9, after the word "annuity", insert "or per-capital payment."

Mr. ROGERS of Oklahoma. Mr. Speaker, that is a typographical error, and I ask unanimous consent that that committee amendment be amended to read "or per capita payment."

The SPEAKER pro tempore. Is there objection?

There was no objection.

The Clerk read as follows:

Page 2, line 11, after the word "annuity", insert "or per capita payment."

Page 2, line 13, after the word "rolls", insert "or the latest per capita payment rolls, whichever are the later."

Page 2, line 24, after the figures "1899", insert "or other applicable acts."

Page 3, line 7, after the figures "1889", insert "or other applicable acts."

Page 3, line 10, after the word "from", strike out "every source whatsoever under."

Page 3, line 13, after the word "Congress", insert "or from any other source."

The committee amendments were agreed to; and the bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

JURISDICTION OF COURT OF CLAIMS

The Clerk called Senate Joint Resolution 64, defining the jurisdiction of the Court of Claims under the act approved March 19, 1924 (43 Stat. 27), and April 25, 1932 (47 Stat. 137), and for other purposes.

Mr. COCHRAN. Mr. Speaker, I ask unanimous consent that the bill go over without prejudice.

The SPEAKER pro tempore. Is there objection?

There was no objection.

REVENUES OF SHOSHONE POWER PLANT, WYOMING

The Clerk called the bill (H. R. 3786) providing for the allocation of net revenues of the Shoshone power plant of the Shoshone reclamation project in Wyoming.

There being no objection, the Clerk read the bill as follows:

Be it enacted, etc., That the net revenues from the Shoshone power plant of the Shoshone irrigation project, properly and equitably allocable to the unconstructed portions of the Shoshone project from the operation of the Shoshone power plant, shall be applied, first, to the repayment of the proportionate construction cost of the power system; second, to the repayment of the proportionate construction cost of the Shoshone Dam; and, third, thereafter such net revenues shall be paid into the reclamation fund, and that the Secretary of the Interior is hereby authorized and directed to apply the net revenues properly and equitably apportioned or to be apportioned to the Garland and Frannie divisions of said project, in accord with the terms and provisions of existing contracts with the water users on said project.

SEC. 2. That all acts or parts of acts in conflict herewith are hereby repealed.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

TITLE TO INDIAN LANDS

The Clerk called the next bill, H. R. 2534, to authorize the Secretary of the Interior to investigate and report on the loss of title to or the encumbrance of lands allotted to Indians.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. COCHRAN. Mr. Speaker, I ask unanimous consent that the bill may be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Missouri?

There was no objection.

WAPATO INDIAN IRRIGATION PROJECT, YAKIMA, WASH.

The Clerk called the next bill, S. 558, amending acts fixing the rate of payment of irrigation construction costs on the Wapato Indian irrigation project, Yakima, Wash., and for other purposes.

Mr. WOLCOTT. Mr. Speaker, I ask unanimous consent that this bill may be passed over without prejudice.

Mr. ROGERS of Oklahoma. Mr. Speaker, reserving the right to object, would the gentleman state whether or not he is opposed to the bill?

Mr. WOLCOTT. Mr. Speaker, I think, inasmuch as the Committee on Indian Affairs has the call on Wednesday, that because of the importance of this bill it should be considered on Calendar Wednesday.

Mr. ROGERS of Oklahoma. Mr. Speaker, I may say to the gentleman from Michigan that this is the only other bill we have on the Consent Calendar today. The reason we hoped this bill might be passed today was because we have so many bills to call up Wednesday and we hoped we might be able to conserve time. This bill has been approved by the Budget, and the Department. The gentleman from Missouri [Mr. COCHRAN] has gone over the bill. He usually checks them very carefully. He has no objection to the bill.

Mr. WOLCOTT. I do not know that I have any objection to the merits of the bill.

Mr. ROGERS of Oklahoma. It is the last of our bills on the Consent Calendar. The rest of our bills are very controversial.

Mr. WOLCOTT. Mr. Speaker, I withdraw my request.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. TABER. Mr. Speaker, I object.

COST LIMITATION ON BUILDINGS IN NATIONAL PARKS

The Clerk called the next bill, H. R. 6350, to amend the act of August 24, 1912 (37 Stat. 460), as amended, with regard to the limitation of cost upon the construction of buildings in national parks.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. WOLCOTT. Mr. Speaker, I ask unanimous consent that this bill may be passed over without prejudice.

Mr. DEROUEN. Mr. Speaker, will the gentleman withhold his request?

Mr. WOLCOTT. Mr. Speaker, I withhold my request to permit the gentleman to make a statement.

Mr. DEROUEN. Mr. Speaker, the purpose of this legislation is merely to place the Park Service on the same basis as the Forest Service in agriculture. There is a limitation upon buildings built by the National Park Service throughout the United States of $1,500, without special authorization. That has been the law since 1918; it has never been changed. The present limit in the Forest Service is $5,000. All that we are asking through this bill is that the Park Service be placed on a parity with the Forest Service in the amount they may spend for buildings to accommodate the Park Service throughout the Northwest.

Mr. WOLCOTT. Mr. Speaker, I may say to the gentleman that the Public Lands Committee had the call on February 2. I was given to understand that the reason why the committee did not bring this bill up for consideration was because of the controversial nature of the bill. If it is of such controversial nature that it could not be considered without a fight on Calendar Wednesday, it surely is not such a bill as should be passed by unanimous consent. I think it provides for a decided delegation of power to the executive branch of the Government. I think we should be rather careful in raising these limitations. About the only protection the taxpayers of the United States have against the misuse of park funds which we appropriate is in the limitations which the Congress has placed upon the use of them. To broaden the limitation upon the use of these funds means, of course, a further delegation of the people's prerogatives which they expect the Congress to protect.

Personally I do not think it is a good thing to raise this limitation to $5,000, because a building program costing a great many thousands of dollars to the prejudice of the taxpayers without any limitation or check upon it whatsoever might be evolved and put into practice, and we would have nothing to say about it.

Mr. DEROUEN. Does the gentleman really believe that this bill will cause the expenditure of a large amount of money to repair existing buildings and build a few more houses in the National Park Service throughout the cold country where they are needed? It was done in the case of the Forest Service. I feel that the gentleman is laboring under a false impression.

Mr. WOLCOTT. I do not think I am. If I understand this correctly, this allows the Park Service to build buildings up to $5,000 without advertising for them.

Mr. DEROUEN. The cost was put on the same basis as the Congress has given the Forest Service under the Agriculture Department. You have not helped these poor fellows in the Northwest since 1918.

Mr. WOLCOTT. I do not think the Park Service are poor fellows. We have done everything within our power to maintain our national parks and to make them accessible to the people. I do not think they are poor fellows at all. I want to protect the taxpayers of the United States from being imposed upon.

Mr. DEROUEN. I do not agree with the gentleman.

Mr. WOLCOTT. I am merely exercising my prerogative in calling the attention of the House to the fact we are increasing the limitation upon the cost of buildings.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

ERECTION OF TERMINAL MARKER FOR JEFFERSON DAVIS NATIONAL HIGHWAY

The Clerk called the next bill, S. 1468, authorizing the erection in the District of Columbia of a suitable terminal marker for the Jefferson Davis National Highway.

Mr. WOLCOTT. Mr. Speaker, I ask unanimous consent that this bill may be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

PROTECTION OF PROPERTY OWNED BY FOREIGN GOVERNMENTS IN THE DISTRICT OF COLUMBIA

The Clerk called the joint resolution (S. J. Res. 191) to protect foreign diplomatic and consular officers and the buildings and premises occupied by them in the District of Columbia.

The SPEAKER pro tempore. Is there objection to the present consideration of the Senate joint resolution?

There being no objection, the Clerk read the joint resolution, as follows:

Resolved, etc., That it shall be unlawful to display any flag, banner, placard, or device designed or adapted to intimidate, coerce, or bring into public odium any foreign government, party, or organization, or any officer or officers thereof, or to bring into public disrepute political, social, or economic acts, views, or purposes of any foreign government, party, or organization, or to intimidate, coerce, harass, or bring into public disrepute any officer or officers or diplomatic or consular representatives of any foreign government, or to interfere with the free and safe pursuit of the duties of any diplomatic or consular representatives of any foreign government, within 500 feet of any building or premises within the District of Columbia used or occupied by any foreign government or its representative or representatives as an embassy, legation, consulate, or for

other official purposes, except by, and in accordance with, a permit issued by the superintendent of police of the said District; or to congregate within 500 feet of any such building or premises, and refuse to disperse after having been ordered so to do by the police authorities of the said District.

SEC. 2. The police court of the District of Columbia shall have jurisdiction of offenses committed in violation of this joint resolution; and any person convicted of violating any of the provisions of this joint resolution shall be punished by a fine not exceeding $100 or by imprisonment not exceeding 60 days, or both: *Provided, however*, That nothing contained in this joint resolution shall be construed to prohibit picketing, as a result of bona fide labor disputes regarding the alteration, repair, or construction of either buildings or premises occupied, for business purposes, wholly or in part, by representatives of foreign governments.

The joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ACQUISITION OF CERTAIN LANDS FOR THE TAHOE NATIONAL FOREST

The Clerk called the next bill, H. R. 7513, to provide for the acquisition of certain lands for and the addition thereof to the Tahoe National Forest, in the State of Nevada, and for other purposes.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. SCRUGHAM. Mr. Speaker, I ask unanimous consent that this bill may be passed over without prejudice.

Mr. WOLCOTT. Mr. Speaker, reserving the right to object, was not this bill passed on February 2?

Mr. SCRUGHAM. It is exactly the same bill, but I want to have it held over until the President either vetoes or signs the other bill. The only difference between this bill and the other bill is that the present bill does not contain the Big Smoky provision.

Mr. WOLCOTT. It was not this particular bill, then, but an almost identical bill?

Mr. SCRUGHAM. Yes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Nevada?

There was no objection.

WESTERN BANDS OF SHOSHONE NATION, NEVADA, JURISDICTIONAL ACT

The Clerk called the next bill, S. 68, authorizing the Western Bands of the Shoshone Nation of Indians to sue in the Court of Claims.

Mr. COCHRAN. Mr. Speaker, I ask unanimous consent that this bill may be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Missouri?

There was no objection.

ADMINISTRATION OF OATH IN FEDERAL PRISONS

The Clerk called the next bill, S. 2387, to authorize certain officers and employees of Federal penal and correctional institutions to administer oaths.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the warden and associate warden, the chief clerk, the record clerk, and one other officer or employee, to be designated by the Attorney General, of each Federal penal or correctional institution, are hereby authorized and empowered to administer oaths to and take acknowledgements of officers and employees, as well as inmates, of such institutions.

With the following committee amendments:

Page 1, line 3, after the word "warden" strike out the remainder of the line and all of line 4 and line 5 to and including the word "general."

Page 1, after line 9, insert a new provision, as follows:

"SEC. 2. None of said officers or employees shall demand or accept any fee or compensation whatsoever for administering or taking any oath, affirmation, acknowledgment, or affidavit under the authority conferred by this act."

The committee amendments were agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

PROTECTION OF PROPERTY OWNED BY FOREIGN GOVERNMENTS IN THE DISTRICT OF COLUMBIA

Mr. FISH. Mr. Speaker, I ask unanimous consent that the proceedings by which Senate Joint Resolution 191, to protect foreign diplomatic and consular offices and the buildings and premises occupied by them in the District of Columbia, was passed be vacated, so that the joint resolution may be reconsidered by the House.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

Mr. KEE. Mr. Speaker, I object.

TRANSFERRING TO THE SECRETARY OF THE TREASURY A SITE FOR A QUARANTINE STATION TO BE LOCATED AT GALVESTON, TEX.

The Clerk called the next bill, H. R. 8972, to transfer to the Secretary of the Treasury a site for a quarantine station to be located at Galveston, Tex.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That there is hereby transferred to the jurisdiction and control of the Secretary of the Treasury the following tracts of land containing a total area of 3.73 acres, more or less, as shown on map (File No. 9–6–117–A), entitled "Fort San Jacinto Reservation, Galveston, Tex., Plot Sketch of Proposed Quarantine Station Site, U. S. Engineers' Office, Galveston, Tex.," dated December 1936 (as revised), more particularly described as follows:

Tract A: Quarantine station site: Beginning at the southwest corner of site from which mark "B" a brass plug set in cap rock on south jetty bears north 80°51′ west, 27.1 feet; and running thence north 31°4′ east, 300 feet parallel to and 25 feet distant from the center line of said south jetty, to the northwest corner of site; thence south 80°51′ east, 413.6 feet, to the northeast corner of site; thence south 9°9′ west, 278.3 feet, to the southeast corner of site; thence north 80°51′ west, 525.6 feet, to the point of beginning, the tract containing an area of 3 acres, more or less.

Tract B: Right-of-way 50 feet wide: Beginning at a point on the southerly line of the hereinbefore described quarantine station site (course No. 4) from which the southwest corner of same bears north 80°51′ west, 209.36 feet; and running thence south 80°51′ east, 50 feet, along the southerly line of quarantine station site; thence south 9°9′ west, 635.84 feet, to a point in the northerly line of the highway to ferry; thence north 80°51′ west, 50 feet, along said northerly line; thence north 9°9′ east, 635.84 feet, to the point of beginning, this tract containing an area of 0.73 acre, more or less.

SEC. 2. The Treasury Department shall submit for approval of the War Department plans for such structures or installations as may be contemplated to be erected channelward of the established harbor lines, or on or over the jetty, in accordance with the provisions of sections 10 and 14 of the act of March 3, 1899 (U. S. C., 1934 edition, title 33, secs. 403, 408).

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

AMENDING AN ACT TO PROVIDE FOR RETIREMENT OF JUSTICES OF THE SUPREME COURT

The Clerk called the next bill, H. R. 9043, to amend an act to provide for the retirement of Justices of the Supreme Court.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the act to provide for retirement of Justices of the Supreme Court approved March 1, 1937, be, and is hereby, amended by adding thereto the following:

"SEC. 2. The term 'judicial circuit', as used in this act, includes the District of Columbia."

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

RESIDENCE REQUIREMENTS OF JUDGES

The Clerk called the next bill, S. 1691, to provide that residence requirements for judges shall not be held to apply to judges who have retired or resigned.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That no provision of law requiring any judge of any court of the United States to reside in any district or circuit shall be held or considered to apply to any such judge after he shall have retired or resigned.

With the following committee amendment:

Page 1, line 6, strike out the words "or resigned."

The committee amendment was agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

The title was amended to read as follows: "An act to provide that residence requirements for judges shall not be held to apply to judges who have retired."

BRIDGES IN STATE OF MARYLAND

The Clerk called the next bill, H. R. 8714, authorizing the State of Maryland, by and through its State roads commission or the successors of said commission, to construct, maintain, and operate certain bridges across streams, rivers, and navigable waters which are wholly or partly within the State.

Mr. WOLCOTT. Reserving the right to object, Mr. Speaker, I have no particular objection to the merits of this bill, but I am constrained to object for the reason there are in it so many departures from the customary legislation authorizing the construction of bridges.

In the first place, all bridges to be built under authorizations of Congress are constructed under the General Act approved March 23, 1906, which appears in the United States Code as title 33, paragraph 496, and provides as follows:

Time for commencement and completion of bridge.

Whenever Congress shall by law authorize the construction of any bridge over or across any of the navigable waters of the United States, and no time for the commencement and completion of such bridge is named in said act, the authority thereby granted shall cease and be null and void unless the actual construction of the bridge authorized in such act be commenced within 1 year and completed within 3 years from the date of the passage of such act.

In the bill before us we authorize the commencement and the completion of the bridges within 3 and 5 years, respectively. This is the first departure from custom.

The next departure is found on page 2 of the bill, in line 21. By this provision Congress seeks to recoup its jurisdiction over the construction of tunnels. Heretofore tunnels have been constructed without specific authority by the Congress of the United States. As I understand, the law empowers the President of the United States with the approval of the War Department to grant authority for the construction of tunnels. After all initially the Congress has jurisdiction over rivers and harbors because we want to make certain there shall be no obstruction of navigation. A tunnel is not an obstruction of navigation. For this reason, authority was given the President and the War Department to grant permission for the construction of tunnels. This bill is a recoupment by the Congress of the authority already given to the President and the War Department with respect to tunnels.

The other objectionable feature of the bill is found on page 3, in line 14. It might not be objectionable if there were some information on what authority had been granted to other municipal or private corporations for the construction of bridges at these particular places, but may I call the attention of the House to the language of the act, starting on line 14 on page 3, which is as follows:

The authority herein granted to construct, maintain, and operate any of the foregoing bridges shall not be deemed to be exclusive or to repeal the authority heretofore granted to any other corporation, public board, or agency to construct a bridge at the same location.

If authorizations have been granted to other municipal or private corporations to construct bridges at this same place, we might have the corporations, municipal or otherwise, competing with one another not only in the construction of the bridges but for the traffic over the bridges after they have been constructed.

For this reason, in view of the statement I have made, I believe the committee should go into this matter further, and I ask unanimous consent, Mr. Speaker, that the bill may be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

BRIDGE FROM ROCK ISLAND, ILL., TO DAVENPORT, IOWA

The Clerk called the next bill, H. R. 8466, authorizing the city of Rock Island, Ill., or its assigns, to construct, maintain, and operate a toll bridge across the Mississippi River at or near Rock Island, Ill., and to a place at or near the city of Davenport, Iowa.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That in order to promote interstate commerce, improve the postal service, and provide for military and other purposes, the city of Rock Island, Ill., or its assigns be, and is hereby, authorized to construct, maintain, and operate a bridge and approaches thereto across the Mississippi River, at a point suitable to the interests of navigation, at or near Rock Island, Ill., and to a place at or near Davenport, Iowa, in accordance with the provisions of the act entitled "An act to regulate the construction of bridges over navigable waters," approved March 23, 1906, and subject to the conditions and limitations contained in this act.

SEC. 2. There is hereby conferred upon the city of Rock Island, Ill., or its assigns, all such rights and powers to enter upon lands and to acquire, condemn, occupy, possess, and use real estate and other property needed for the location, construction, maintenance, and operation of such bridge and its approaches as are possessed by railroad corporations for railroad purposes or by bridge corporations for bridge purposes in the State in which such real estate or other property is situated, upon making just compensation therefor, to be ascertained and paid according to the laws of such State, and the proceedings therefor shall be the same as in the condemnation or expropriation of property for public purposes in such State.

SEC. 3. The city of Rock Island, Ill., or its assigns, is hereby authorized to fix and charge tolls for transit over such bridge, and the rates of toll so fixed shall be the legal rates until changed by the Secretary of War under the authority contained in the act of March 23, 1906.

SEC. 4. In fixing the rates of toll to be charged for the use of such bridge the same shall be so adjusted as to provide a fund sufficient to pay for the reasonable cost of maintaining, repairing, and operating the bridge and its approaches under economical management, and to provide a sinking fund sufficient to amortize the cost of such bridge and its approaches, including reasonable interest and financing cost, as soon as possible, under reasonable charges, but within a period of not to exceed 40 years from the completion thereof. After a sinking fund sufficient for such amortization shall have been so provided, such bridge shall thereafter be maintained and operated free of tolls. An accurate record of the cost of the bridge and its approaches; the expenditures for maintaining, repairing, and operating the same; and of the daily tolls collected shall be kept and shall be available for the information of all persons interested.

SEC. 5. The right to alter, amend, or repeal this act is hereby expressly reserved.

With the following committee amendment:

On page 3, line 6, strike out the word "forty" and insert in lieu thereof the word "thirty."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

STATUE OF GEN. ROBERT E. LEE

The Clerk called the next bill (H. J. Res. 142), authoring the erection of an equestrian statue of Gen. Robert E. Lee in the Arlington National Cemetery.

Mr. WOLCOTT and Mr. RICH objected.

UNCOMPAHGRE VALLEY RECLAMATION PROJECT, COLORADO

The Clerk called the next bill (H. R. 7764), to authorize the sale of surplus power developed under the Uncompahgre Valley reclamation project, Colorado.

Mr. WOLCOTT. Reserving the right to object, Mr. Speaker, I call attention to the fact that while the Congress of the United States is authorizing the development of hydroelectric power, the coal miners in Pennsylvania, West Virginia, and the other States in which coal is mined, are having a terrible time to eke out an existence. I believe it is about time the Congress of the United States stops setting up competition with the coal miners of this country.

For this reason, Mr. Speaker, I object to the present consideration of the bill.

Mr. RICH. I also object, Mr. Speaker.

CERTIFICATES OF NATURALIZATION GRANTED BY THE UNITED STATES DISTRICT COURT FOR THE DISTRICT OF HAWAII

The Clerk called the next bill, H. R. 7369, to validate certain certificates of naturalization granted by the United States District Court for the District of Hawaii.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That all certificates of naturalization granted by the United States District Court for the District of Hawaii between January 1, 1919, and July 1, 1922, are hereby declared to be valid insofar as failure of the record to contain final order under the hand of the court is concerned, but shall not be by this act further validated or legalized.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

HOWARD UNIVERSITY

The Clerk called the next bill, H. R. 9042, to amend section 2 of the act to incorporate The Howard University.

Mr. WOLCOTT. Reserving the right to object, Mr. Speaker, this bill amends existing law in that it changes the character of investments made by reason of endowments, gifts, and so forth, by including notes, bonds, stocks, and money, and, further, eliminates the proviso in the existing law—

That the same do not exceed the value of $50,000 net annual income over and above and exclusive of the receipts for the education and support of the students of said university.

These are two very vital amendments. The first one, in my opinion, might open the door for speculation in stocks. I believe the second one is of such a nature the controversial features of it speak for themselves.

Inasmuch as I really have not had time to go into the act with my esteemed colleague the gentleman from Indiana [Mr. LARRABEE], who undoubtedly has an explanation of these matters, I ask unanimous consent that the bill may be passed over without prejudice.

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

There was no objection.

INTERNATIONAL SEED TESTING ASSOCIATION

The Clerk called the joint resolution (H. J. Res. 567) to authorize and request the President of the United States to invite the International Seed Testing Association to hold its ninth congress in the United States in 1940, and to invite foreign countries to participate in that Congress; and also to provide for participation by the United States in that congress.

Mr. RICH. Reserving the right to object, Mr. Speaker, I should like to have somebody explain this bill, and also tell me what this is going to cost and where we are going to get the money.

If there is no one here who can tell us where we are going to get the money to operate this congress, I certainly will have to object.

Mr. McREYNOLDS. We do not ask for much, I may say to the gentleman. This is merely a seed matter, and we are asking for only $500.

Mr. RICH. Five hundred dollars?

Mr. McREYNOLDS. Yes.

Mr. RICH. Where are you going to get the money?

Mr. McREYNOLDS. I believe we can dig that up.

Mr. RICH. Where will we get it? Who is going to pay the $500?

Mr. McREYNOLDS. It will go to the Department of Agriculture.

Mr. RICH. The Department of Agriculture? That Department is one of the most expensive departments of the Federal Government today. They are squandering money recklessly and carelessly.

Mr. McREYNOLDS. If the gentleman objects to the bill, let him just object.

Mr. RICH. I want to find out about this. I would like to have some of the Members on this side explain to us where this money is coming from. Every time you bring in a bill it covers the expenditure of from $500 to $5,000,000,000, and not a Member of Congress knows where the money will come from, and I think they care less.

Mr. McREYNOLDS. The gentleman ought to be informed about that by this time, because he has been making the same inquiry for the last 2 years.

Mr. RICH. And there has not been one Member of the House of Representatives who has been able to tell us where we are going to get the money. They either do not know or do not care.

Mr. McREYNOLDS. I am not a financier. The gentleman ought to have found some source prior to this time where he could get the information.

Mr. HOOK. We are going to get the money from the same source that your Farm Board got it under Hoover.

Mr. RICH. The people of this country are just about taxed to death. You have placed more taxes upon the people of this country than they are able to stand. The little-business man and the big-business man are taxed to death, and there is nobody here who is making any effort to give the people of this country an opportunity to put men back to work, and that is what we want.

Mr. GIFFORD. Mr. Speaker, will the gentleman yield?

Mr. RICH. Yes.

Mr. GIFFORD. They are not going to get the money where Hoover got it. They are going to take it from the social-security fund.

Mr. RICH. And the people who are counting on having security in their old age are going to be humbugged because the administration is going to take the money to pay the expenses of this extravagant administration.

The SPEAKER pro tempore. Is there objection to the present consideration of the joint resolution?

Mr. RICH. Mr. Speaker, I want to find out where we are going to get this $500.

Mr. McREYNOLDS. Out of funds not otherwise appropriated. [Laughter.]

Mr. RICH. The Federal Treasury statement shows that we are further in the red than ever before in the history of this Nation. I want to tell my colleague here that the Federal Government is $37,373,859,489.28 in the red as of January 10. Statements have been issued since this time that show we are further than this in the red.

If, Mr. Speaker, as has been stated by the gentleman from Massachusetts, we are going to take money out of the fund intended for social security and pay for the unemployed, then we are doing an unethical thing and a thing that we should never permit. It is dishonest to even think of such a procedure.

Now, have you any Members present who can tell us where we are going to get the money?

Mr. MICHENER. Mr. Speaker, will the gentleman yield? I can tell the gentleman where we are going to get the money. There are just two places.

Mr. RICH. Where?

Mr. MICHENER. Raise it by increasing taxes or borrow it. The gentleman asks this question every day, and rightfully so. If others were as concerned, it would be better for the country. The gentleman is to be commended for his diligence. According to the statement——

Mr. RICH. The gentleman, being a good sound Republican and legislator, should be very careful what he says.

Mr. MICHENER. Let me finish my statement. The gentleman from Pennsylvania has in his hand the Treasury statement to which he has just called attention, which shows that the Government is running in the red. The estimates are that the Government will be around $1,000,000,000 in the red this year.

Mr. RICH. A billion and a half, I predict.

Mr. MICHENER. A billion and a half. Therefore we are going to get all this additional money we spend by borrowing it and paying interest on it, and if this $500 is appropriated, or authorized to be appropriated in this bill, the Congress

is voting, first, to spend the money and, second, to authorize this administration to borrow the money and to issue Federal bonds in that amount. The chairman of the Foreign Affairs Committee says the money is to come "out of funds not otherwise appropriated." He should have said out of additional funds to be borrowed.

Mr. McREYNOLDS. Regular order, Mr. Speaker.

Mr. MICHENER. I do not wonder the gentleman demands the regular order and uses this parliamentary method to cut off debate on the matter. The taxpayers, however, are cognizant of the necessities of the Treasury and want this spending stopped.

Mr. RICH. Certainly, they demand the regular order. They do not believe we should be here criticizing the administration like this. They do not like it, for it is a painful thing to them to hear it; and oh, how they do deserve it; and they know it only too well.

The SPEAKER pro tempore. The regular order has been demanded. Is there objection to the present consideration of the bill?

Mr. RICH. Let me ask you, Mr. Speaker, this question: Do you think this is a good bill to pass? If you think it is the right thing to do, Mr. Speaker, then I will let it pass. I believe, however, more in conferences than I do in war, so I shall not oppose its passage.

The SPEAKER pro tempore. Is there objection to the present consideration of the joint resolution?

There was no objection.

The Clerk read the joint resolution, as follows:

Resolved, etc., That the President be, and he is hereby, authorized and requested to invite the International Seed Testing Association to hold its ninth congress in the United States in 1940, and to invite foreign countries to participate in that congress.

SEC. 2. That there is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, the sum of $500, or so much thereof as may be necessary for the expenses of official entertainment by the United States at the Ninth International Seed Testing Congress to be held in the United States in 1940, and such other expenses as may be authorized by the Secretary of State, including the reimbursement of other appropriations from which payments may have been made for the purpose herein specified, to be expended under the direction of the Secretary of State.

Mr. WOLCOTT (interrupting the reading of the joint resolution). Mr. Speaker, I ask unanimous consent that the further reading of the joint resolution be dispensed with.

Mr. RICH. No, Mr. Speaker.

The Clerk resumed and concluded the reading of the joint resolution.

The joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed.

A motion to reconsider was laid on the table.

Mr. COSTELLO. Mr. Speaker, this concludes the call of the Consent Calendar for today.

BOILEAU-M'NARY AMENDMENT TO FARM BILL

The SPEAKER pro tempore. Under an order previously made, the gentleman from Wisconsin [Mr. BOILEAU] is recognized for 30 minutes.

Mr. BOILEAU. Mr. Speaker, on January 25 the gentleman from Michigan [Mr. HOOK] made a speech on the floor in which he referred to the so-called McNary-Boileau amendment to the farm bill. It so happened that I was not present at the time and did not have his speech called to my attention until a couple of days ago, at which time I asked unanimous consent to address the House at this time. I notified the gentleman from Michigan that I was going to speak this afternoon in reply to his statement, and I am glad that he is here because I want him to know what I have to say with reference to the statements he made the other day. In this speech he said that if the so-called Boileau-McNary amendment were to be finally enacted into law, if it was retained in the farm bill, it would shackle the American farmers in its regimentation, and that there would be more regimentation under this amendment than the American farmers had ever known. I ask the gentleman's attention, because I want to tell him about some regimentation that is now going on under the present law. I call his attention to the fact that the only regimentation that would be provided for in the bill as the result of the Boileau-McNary amendment is already in the soil-conservation program with reference to other crops. In other words, we are merely asking for the same type of regimentation that the Department of Agriculture is already putting upon the producers of other crops. For instance, if at the present time a farmer is being paid money to divert his acreage from cotton, he cannot grow anything that he wants to. Other crops are protected, but dairy feeds are not protected. Under the present soil-conservation program that is being put out for 1938 there is this same type of regimentation with reference to the following commodities:

Corn, grain, sorghums, cotton, tobacco, sugar beets, sugarcane, rice, peanuts harvested for nuts, sweet sorghum, sudan grass, milled or close-drilled corn, except if used for green manure, summer fallow in certain areas unless seeded to perennial grasses or legumes, commercial mustard, hemp, broomcorn, mint, mangels and cowbeets, cultivated sunflowers, truck and vegetable crops, including vine fruits, field peas harvested for peas, soybeans harvested for seed for crushing, potatoes, bulbs and flowers, safflower, field beans, canning peas, wheat, except if used for green manure or pasture, oats, barley, rye, buckwheat, flax, emmer, spelt, rape, or mixture, except if used for green manure.

So we are only asking that this list include also feed for livestock, feed for poultry, and feed for dairy cattle. In other words, the regimentation the gentleman from Michigan complains about with reference to the amendment to which I am now addressing myself, is already perpetuated in the soil-conservation act with reference to these other commodities.

Mr. HOOK. Mr. Speaker, will the gentleman yield?

Mr. BOILEAU. Certainly.

Mr. HOOK. Is it not a fact that flax, corn, and those products the gentleman mentioned, except fallow peas and beans are soil-depleting crops?

Mr. BOILEAU. Most of them are, but the regimentation is there just the same. The Department of Agriculture must do the same police work under the present farm program. It is just exactly the same from the standpoint of regimentation, and exactly the same with reference to any difficulty that might arise with reference to policing. So I submit that argument is specious.

Mr. GREEVER. Mr. Speaker, will the gentleman yield?

Mr. BOILEAU. Yes.

Mr. GREEVER. Where does the gentleman's amendment appear in this conference print of the farm bill?

Mr. BOILEAU. I refuse to accept any responsibility for the amendment which appears in this conference committee print. The gentleman asks about my amendment. It has been emasculated so much that the gentleman would not recognize its parentage, but the subterfuge which appears in the conference print is on pages 8, 9, and 10.

Mr. ROBSION of Kentucky. Mr. Speaker, will the gentleman yield?

Mr. BOILEAU. Certainly.

Mr. ROBSION of Kentucky. I voted for the Boileau amendment to give some protection to the dairy industry, as it shows a larger value of farm products than any other in this country. Does the gentleman endorse what is presented in this conference print?

Mr. BOILEAU. Most assuredly I do not, and I am satisfied that if the friends of the original amendment study the conference proposal, they will not endorse it. I shall not have the time this afternoon to discuss that in detail, but will do so tomorrow.

Mr. ROBSION of Kentucky. Will it help the dairy industry?

Mr. BOILEAU. It is no help, it is a mere sop, and I submit to the representatives of the livestock and poultry industries of this country that there is no protection so far as livestock and poultry are concerned, except insofar as the Secretary of Agriculture might want to give them protection. He can do that now, and you gentlemen know what they have gotten in the past.

Mr. GREEVER. The gentleman feels that as far as the livestock and other dairy cattle are concerned that any protection that might be given is wholly up to the Secretary of Agriculture?

Mr. BOILEAU. Yes. This provision is merely a sop.

Mr. RAYBURN. I may say to the gentleman that I am in the dairy business myself, and my section is very much interested in dairying. Dairying has grown in that section of the country to the extent that Kraft has its southwestern headquarters in the district I represent. Does not the gentleman think that the agreement in the conference report is better than nothing?

Mr. BOILEAU. Absolutely not.

Mr. RAYBURN. Why?

Mr. BOILEAU. Because it gives no protection. The South and other sections of the country can, under the provisions of this so-called conference committee amendment, carry on their practices just as they have in the past and just as they would without the Boileau amendment at all. This does not give protection. I would be glad to discuss that this afternoon if I had a little more time. I intend to discuss that tomorrow when I shall discuss the amendment in detail, but today I want to address my remarks primarily to the statement made by the gentleman from Michigan. I do not want the gentleman from Texas to think that I am not able to answer his question, because I have spent plenty of time analyzing the conference committee amendment. It does not give us protection because you can raise all the grasses and legumes you want to under the provisions of the amendment; and there is no protection at all to dairy, livestock, or poultry, as far as I can see, that they do not already have under existing law; and we have not been protected in the past.

The gentleman from Michigan said:

> Hoard's Dairyman and the Wisconsin Agriculturist, and the leading authorities of the dairy industry, have repeatedly stated that any program built to advance the dairy industry must include the improvement of pastures and the increase in the growing of legumes.

That is exactly the point. I agree with that statement; that is exactly it. If you want to produce more dairy products increase your crops of grasses and legumes. That is all there is to that. We have been preaching that in our country for many years, that they should produce more grasses and legumes so they could produce more milk; but we have not done it under Government subsidy; we have not asked for the subsidy and we have not received it. I say to the gentleman from Michigan that that is the whole force of the argument I am making: That if they produce more grasses and legumes in sections not now engaged primarily in dairying they are going to produce more milk, they are going to demoralize prices. We do not care if they produce more milk for their own use; our amendment permits that, but we do not want them to produce more butter and cheese, with the aid of a Government subsidy.

Mr. HOOK. Mr. Speaker, will the gentleman yield?

Mr. BOILEAU. I yield.

Mr. HOOK. Then what has the gentleman to say of the National Cooperative Milk Producers Federation meeting in Baltimore in November?

Mr. BOILEAU. I do not know to what the gentleman has reference. They endorsed the so-called Boileau amendment.

Mr. HOOK. The National Cooperative Milk Producers Federation at that time said in their report that the question was not overproduction of milk, but underconsumption.

Mr. BOILEAU. That is all very well and good. We are not trying to deny that. If you could get everybody to drink twice as much milk as they drink now it would mean we could produce twice as much milk as we now produce; but this program would not result in increased consumption of dairy products. I submit that we are entitled to ask protection just as other commodities are.

The gentleman from Michigan is advocating this bill which would reduce the production of wheat, corn, cotton, rice, and tobacco. Why does he not be consistent? If it is good to reduce the production of these commodities, it is certainly not good for the dairy industry to increase the production of milk. The gentleman's position, I submit, does not appeal to my reasoning. I do not see how the gentleman can take such an inconsistent position. If his position is right in regard to other commodities, why by the same logic is it not right in regard to milk? If he supports restriction of production for cotton, if he supports restriction of production for corn, wheat, tobacco, and rice, why should he support an increase for the dairy industry? That position is not consistent.

Mr. HOOK. The gentleman knows that the Committee on Agriculture was broken up into subcommittees to consider various phases of this bill. I happened to be on the subcommittee considering milk and dairying, and that is what I am protecting.

Mr. BOILEAU. The gentleman was on that subcommittee but he opposed everything we advocated.

Mr. SCHULTE. Mr. Speaker, will the gentleman yield?

Mr. BOILEAU. I yield.

Mr. SCHULTE. The gentleman has made a number of very pertinent statements, among others that the dairy industry is being demoralized. I call his attention to the fact that in my State the producer gets 4½ cents a quart for milk and has to pay for the transportation or hauling of the milk into the city of Chicago where it is sold to the consumer for 13 cents. I wonder if anyone can break down the spread between what the producer gets and what the consumer pays and show us who gets it?

Mr. BOILEAU. Let me say to the gentleman that in my district we get only about half as much for our milk as the gentleman does in his district. Most of our milk goes into butter, cheese, and manufactured products.

Mr. CULKIN. Mr. Speaker, will the gentleman yield?

Mr. BOILEAU. Yes; briefly.

Mr. CULKIN. Is it not a fact that the National Cooperative group and the National Cooperative Council went squarely on record in favor of the Boileau amendment and protested this procedure which gives the dairyman subsidized production?

Mr. BOILEAU. That is right. Not only this year but every year since we considered the original Agricultural Adjustment Act in 1933, the National Cooperative Milk Producers' Federation have gone on record favoring a similar provision. In the big farm meeting held last January and February here in Washington, the federation, together with the leaders of other farm organizations, went on record accepting the principle of the so-called Boileau amendment.

The gentleman from Michigan made some very pointed statements about a so-called lobby that was down here fighting for this amendment. The gentleman said that certain interests outside of the dairy industry were using their influence on the representatives of the dairy industry. He said that the fats and oils industry and the concentrated feeds industry were supporting this amendment. I challenge the gentleman to show where any lobbyist for the fats and oils industry or for the concentrated feeds industry even as much as sent one letter to the membership of this House in support of the amendment.

Mr. HOOK. Pernicious lobbyists do not work that way and the gentleman knows it. I say to him it is my opinion, and I said it was reported at that time and I still contend, the fats and oils industry were behind the Boileau amendment and they would like to see it put into effect.

Mr. BOILEAU. The gentleman will notice that the principal fats and oils industry of the country is in the South. That includes cottonseed oil. I would like to know one single cotton producer in the South that has been supporting the amendment except men living in the South like the commissioner of agriculture from the State of Texas who states he believes the principle is right. There is not a single fats and oils industry man from the South supporting it; not a one. That includes cottonseed oil, the principal edible fat, the one that would be most interested if there was any benefit to them.

I submit to the gentleman he cannot name one single lobbyist from the fats and oils industry that has been down

here favoring this amendment; not one. I yield to him in my time to tell me.

The bad part of it is that the inferences of his statement would make it appear that Charlie Holman, executive secretary of the National Cooperative Milk Producers' Federation, was being influenced by the fats and oils industry and that he was selling the dairymen down the river. I say that inference is wrong and the gentleman should be up here correcting it. He should say where he got such information. No one who knows Charlie Holman can say one word against his honesty or integrity. He is not a double-crosser. I have had occasion to disagree with him many times as to what is best for the dairy industry, but Charlie Holman is a man of honor and the unfavorable inference created by the gentleman's remarks should be corrected. I yield to the gentleman from Michigan to do so.

Mr. HOOK. The gentleman from Wisconsin put that shoe on Holman's foot, not me.

Mr. BOILEAU. Where?

Mr. HOOK. Because of the fact that I mentioned Holman talking for the amendment and previous to that time I had mentioned fats and oils, at the time I mentioned fats and oils and processed feeds I did not mention Holman. The gentleman put that shoe on Holman. I might have my own opinion about what might be going on.

Mr. BOILEAU. I regret very much this has gotten to the point where I have to discuss private conversations I have had with the gentleman from Michigan. When I saw his statement in the RECORD I wanted to be sure what he had in mind. I did not want to come up here on the floor of the House to find out what he meant. To me the inference was obvious. So I went and talked to the gentleman and he said that certain people had informed him that Charlie Holman was being influenced by the fats and oils industry. I challenge him to name one person who will make such a statement. He says there were four people who told him that, and I challenge him to name one now. I had not intended to bring in here on the floor personal conversations which took place between the gentleman and myself when I took the precaution to ask the gentleman what he had on this man and whether or not there was any justification for his statement. I asked him for an explanation because I was sure that I could explain any misunderstanding he might have had about Mr. Holman. But he reiterates the statement and now says that I am trying to put the shoe on the man's foot. I yield to the gentleman.

Mr. HOOK. The question was pointed toward whether Holman, after he had backed the gentleman's amendment, went other places and asked that the amendment be modified.

Mr. BOILEAU. Charlie Holman, in the last 5 years, has never compromised on this amendment. When people offer amendments there are objections for this reason or that reason. He has said, "We do not care about the language particularly. It is the principle we are interested in, and if you can work it out in better language and save the principle, well and good."

I want to say to the gentleman I am glad he absolves Charlie Holman. He should have done that the other day. He should have taken the time to come on the floor, and I would not be making the remarks I am today. Does the gentleman want to absolve him from any corruption or double dealings?

Mr. HOOK. I do not absolve any lobbyist that advocates the Boileau amendment.

Mr. BOILEAU. Will the gentleman admit then he has nothing to say against Charlie Holman?

Mr. HOOK. As far as fats and oils are concerned the gentleman has misconstrued my statements.

Mr. BOILEAU. The gentleman says he has no connection?

Mr. HOOK. I would like to have an investigation to determine who does pay some of these lobbyists.

Mr. BOILEAU. That clarifies the issue quite well. The gentleman says there is no inference with reference to fats and oils and he does not claim that Charlie Holman is involved.

Now, he talks about vicious lobbying. Does the gentleman know of any other organization which supported this amendment as an organization?

Mr. HOOK. The gentleman's amendment?

Mr. BOILEAU. Yes; as an organization.

Mr. HOOK. I was not interested in any organization that supported the amendment.

Mr. BOILEAU. The gentleman talks about vicious lobbying. Does the gentleman know who it was that supported it?

Mr. HOOK. The interests down here in Washington would know better than I do.

Mr. BOILEAU. You bet your life; and I am going to tell you right now.

Mr. HOOK. I know a very old and fine agricultural magazine that is not for it.

Mr. BOILEAU. Which one is not for it?

Mr. HOOK. I know the Wisconsin Agriculturalist is against it.

Mr. BOILEAU. We will see about that situation. The gentleman made that statement to me the other day. I know that magazine came out with an editorial in opposition to the amendment, not a very bitter one, but an editorial in opposition to it. The probable inference is that the Wisconsin Agriculturist and Farmer is opposed to it. There are other magazines circulating among the farmers of this country. Has the gentleman ever heard of Wallace's Farmer? Wallace's Farmer is one of the large farm magazines. Let us see who are the officers of the Wisconsin Agriculturist and Farmer and who are the publishers and editors of Wallace's Farmer. This may throw some light on why the Wisconsin Agriculturalist and Farmer opposes the Boileau-McNary amendment.

I may say with reference to the Wisconsin Agriculturist that I have never had occasion to accuse the men in charge of that magazine of doing other than the honorable thing, and this is just an honest disagreement between them and me. I do not mean to make accusations against anyone, but when we are talking about the support of certain magazines, we have a right to know who the editors and publishers are, and see if we can find any reason for their expressed views.

The publisher of the Wisconsin Agriculturist and Farmer is a man by the name of Dante M. Pierce. The publisher of Wallace's Farmer is Dante M. Pierce. The associate publisher of the Wisconsin Agriculturist and Farmer is Clifford V. Gregory. The associate publisher of Wallace's Farmer is Clifford V. Gregory. The editor of Wallace's Farmer is Henry A. Wallace, and there is a notation under his name—

Now on leave of absence as Secretary of Agriculture.

In other words, Wallace's Farmer is published by the same publisher and associate publisher who publish the paper to which the gentleman has referred. Is it any wonder there would be a like policy on a proposition of this kind? The influence of Secretary Wallace is easily understood, in view of the close association of the two magazines.

Then, that is not all. Among the list of the names of the editors of Wallace's Farmer appears "Editor, Donald R. Murphy," and we find under the heading "Editorial staff" of the Wisconsin Agriculturist and Farmer, "D. R. Murphy." Another editor of Wallace's Farmer is a man by the name of E. R. McIntyre. One of the editors of the Wisconsin Agriculturist and Farmer is E. R. McIntyre. Mr. McIntyre is about as fine a man as I know. I know him personally, and have agreed with him on many things with reference to agricultural programs. However, he is an editor of Wallace's Farmer and an editor of the other magazine, and naturally there would be a similiarity of viewpoints. Bear in mind, too, that he was down here working for the Agricultural Adjustment Administration under Secretary Wallace as one of its principal advisers not so many years ago. He has been very closely associated with this administration and its farm program.

On the editorial staff of Wallace's Farmer is a lady by the name of Mrs. Lois Johnson Hurley, in charge of the home department. The person in charge of the woman's department of the Wisconsin Agriculturist and Farmer is Lois Johnson Hurley.

Therefore, these people are in charge of both papers, and, naturally, with Secretary Wallace dictating the policy of Wallace's Farmer, as editor, even though on temporary leave, the policy of the two papers would be the same. I merely mention this so that the gentlemen in this body who might believe, because the Wisconsin Agriculturist and Farmer has come out against the amendment, that it represents the farmers of my State will not get the wrong impression. The farmers of my State are for the amendment, just as are the dairy farmers of the State of Michigan.

Mr. HOOK. The dairy farmers of Michigan are not for the amendment, because we expect to expand. The amendment would definitely restrict any expansion.

Mr. BOILEAU. I expected the gentleman to make that statement.

Mr. MICHENER. Mr. Speaker, will the gentleman yield?

Mr. BOILEAU. I cannot yield now.

I expected the gentleman to say the dairy farmers of Michigan are not for the amendment. However, I have here a telegram addressed to me, dated February 5, and it reads as follows:

Contrary to Congressman HOOK's opinion, we milk producers of Sanilac County favor the Boileau-McNary amendment.

ROSEBURG LOCAL,
J. H. DEFOE.

This telegram was sent from Yale, Mich.

I have another telegram from the State of Michigan. This is dated February 5:

Have read Congressman HOOK's statement and am sure he is misinformed because the farmers in Michigan are very much interested in having Congress arrange protection against competition of diverted acres upon which farmers have or will be paid. Every expression coming from Michigan dairy farmers voices this needed protection. This organization's actual membership is more than 17,000 Michigan dairy farmers.

B. F. BEACH,
Secretary, Michigan Milk Producers Association.

This telegram was sent from Detroit, Mich.

I have another telegram I should like to read before I yield. This is dated February 4, and is addressed to me:

Congressman HOOK misinformed regarding use of land diverted from crop production. Dairymen object to use of this land for production of dairy feed.

HENRY VANDEUSEN,
President of Hillsdale County Milk Producers.
I. K. MAYSTEAD,
Director of Michigan Milk Producers.

Then I have another telegram of February 5 addressed to me which states:

Dairymen of my section favor the Boileau-McNary amendment. It must be that the opposition to this must have been misinformed.

This is signed by "Bruce F. Clothier, director of the Michigan Milk Producers Association." Let me say to my friend from Michigan these men are associated with the same lobby that you condemn, but I want to say to you that they are honest-to-God dairy people representing the dairy interests. I want to make the record clear that this group is a well-organized group of cooperative milk producers, and they are not entitled to the treatment given them by the gentleman from Michigan.

Mr. HOOK and Mr. MICHENER rose.

Mr. BOILEAU. I must yield first to the gentleman from Michigan [Mr. HOOK].

Mr. Speaker, my time is about up and I ask unanimous consent that I may proceed for 10 additional minutes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. HOOK. Did the gentleman have any information from Clark L. Brody, chairman of the Michigan State Farm Bureau?

Mr. BOILEAU. I do not know the gentleman.

Mr. HOOK. I happen to have a letter from him also saying I was misinformed on the Boileau amendment and that I should change my opinion and vote for the amendment, but I happen to know that Clark L. Brody is probably one of those who went ahead and incited those telegrams, and it was done for political purposes and to try to make the regimentation in the bill as tight as they could, so they could go out later and holler "Regimentation."

Mr. BOILEAU. Does the gentleman claim that these men I have referred to are not honest and sincere milk producers?

Mr. HOOK. I do claim they have been misinformed and do not understand the subject.

Mr. BOILEAU. But does the gentleman believe they are corrupt?

Mr. HOOK. I do not know anything about the gentlemen you refer to.

Mr. BOILEAU. The gentleman has certainly heard of these men. The gentleman claims to speak for the dairy industry of his State and he must know the dairy leaders of his State. The gentleman might stick me on names of one or two dairy leaders in my State, but certainly not on all of them, because I have been in touch with them. Does the gentleman know any of these men I have referred to?

Mr. HOOK. Yes; I have heard of them, and they are leaders in Republican politics.

Mr. BOILEAU. Well, Michigan is a Republican State.

Mr. HOOK. And these men are leaders in Republican politics.

Mr. BOILEAU. As a matter of fact, and I speak in all sincerity, unless you gentlemen change your policy you will find that every dairyman in the country, together with their leaders, will be in the Republican Party before long. You had better wake up. You have been treating us too shabbily, and unless you wake up all the dairymen are going to be in the Republican Party.

Mr. SCHULTE. I am sorry the gentleman has made that statement.

Mr. BOILEAU. I am saying that in all sincerity. The gentleman from Michigan claims that all the officers of the dairymen's associations in Michigan are Republicans, and I say in all fairness that unless you gentlemen protect our interests in the North you cannot expect to have the support of the dairy farmers.

Mr. SCHULTE. I supported the Boileau amendment and I shall continue to do so wholeheartedly, but——

Mr. BOILEAU. And the gentleman will have the support of the dairy industry of his district.

Mr. SCHULTE. But the gentleman has made the statement that they will be Republicans. They are Democrats at heart because they realize their salvation has been because of the present President.

Mr. BOILEAU. I know the dairy farmers in my State supported the Roosevelt administration, and they would like to keep on. They are going to keep on supporting the Democratic administration if they are given decent treatment. I want to take this occasion to thank many of the good Democrats who have favored this program. There are a lot of them, and some of them are from the cities, including New York and Chicago. I was glad to see them give us their support. I was glad to see the distinguished Chairman of the Rules Committee act in behalf of justice in supporting the amendment, and I hope he will stick by that. I know the gentleman and I know he is not going to change his position now. I know the gentleman from New York [Mr. O'CONNOR] is going to fight for the principles he advocated a few days ago. I know he is going to say that this original amendment is right and he will be glad to vote for it. I know he is going along with us. There are not enough bosses in the country to change his mind. I know he is going to stand, like the Rock of Gibraltar that he is, fighting for a principle. [Laughter and applause.]

Mr. HOOK. Mr. Speaker, will the gentleman yield?

Mr. BOILEAU. I yield.

Mr. HOOK. What would the gentleman have done, under his amendment as proposed in the original bill, if we had a drought in this country?

Mr. BOILEAU. Long before this amendment was finally agreed upon in the Senate I very frankly said that for one I would be willing to accept that amendment, and there is not a dairy leader in this country I know of who would not be willing to have that modification.

Mr. HOOK. Why was it not put in the original amendment, then?

Mr. BOILEAU. I will tell the gentleman why; because instead of having the expert advice of dairymen like the gentleman from Michigan, I had his opposition, and he did not offer the suggestion. As soon as that was called to my attention I was perfectly willing then, and am willing now, to have this slight modification which would necessitate only a minor change in the amendment. We are willing to accept reasonable and constructive criticism, and if the responsible officials of the Department of Agriculture had used one-tenth of the effort in cooperating with us that they have used in trying to defeat the amendment they would have been doing their duty in a way that would have reacted to their credit.

Mr. MICHENER. Mr. Speaker, will the gentleman yield?

Mr. BOILEAU. Yes; with pleasure.

Mr. MICHENER. I am rather surprised to hear the gentleman from Michigan [Mr. HOOK] attempt to represent the dairymen of Michigan. As a matter of fact, it would be just about as easy to find a commercial dairy in the gentleman's district as it would be to find an iron mine in my district.

Mr. HOOK. Just 1 minute. Will the gentleman from Michigan kindly repeat that statement?

Mr. KNUTSON. Oh, the gentleman is off.

Mr. HOOK. I am about as off as the gentleman from Minnesota [Mr. KNUTSON] was when he went over to the Senate and asked that the Boileau amendment be modified, after he had voted for it on the floor of the House.

Mr. KNUTSON. I deny that statement.

Mr. MICHENER. Mr. Speaker, if the gentleman from Wisconsin [Mr. BOILEAU] will permit, I do not want to be misunderstood, but it so happens that I do come from one of the greatest producing dairy districts not only in Michigan, but in the United States, and I think that I know what the attitude of the dairymen in Michigan is. I feel sure that I know what the attitude of every Member of Congress representing every district that simulates a dairy district is, and I believe we are unanimously in favor of the Boileau amendment. I have no commission, however, to represent the dairymen or the Congressmen in this regard. We realize that we cannot continue as dairymen as we have in the past, if the things happen that may happen under the conference report without the Boileau amendment. I opposed the compulsory regimentation in the farm bill and certainly am opposed to subsidizing the cotton farmer in order that he may go into dairying in competition with the dairyman who has no subsidy from the Government.

Mr. HOOK. I just want to know whether or not the gentleman believes in regimentation of that type for the farmers.

Mr. BOILEAU. Oh, let us not talk about regimentation unless the gentleman wants to talk against the whole bill. There is no regimentation provided for in this amendment that is not provided for in the bill with reference to other commodities. The gentleman cannot say that this proposal is different from the other provisions of the bill. The gentleman should not make a statement against regimentation unless he is willing to go through with it with respect to the rest of the bill. The trouble is, I fear, that he is quoting what somebody else has told him, and that he has not studied it himself.

Mr. HOOK. I have studied it completely myself, and, further, the gentleman would never have introduced such an amendment if he had studied it and looked at it himself.

Mr. BOILEAU. And I have a recollection that the gentleman supported something similar to that in our committee a few years ago.

Mr. CASE of South Dakota. Mr. Speaker, will the gentleman yield?

Mr. BOILEAU. Yes.

Mr. CASE of South Dakota. I would like to know what the effect of the Boileau amendment would be in the Great Plains region, where the farmers have been told that they should change from growing grain to producing livestock.

Mr. BOILEAU. Oh, that is all a fundamental principle of diversified farming. I believe in diversified farming; but the gentleman should not undertake here to say that we should pay some farmers for diversifying their farming, and not others who have been doing that for years. This does not stop any farmer from diversifying as much as he wants to, only we say that he shall not be paid for it or have an unfair advantage over his neighbor with a Government subsidy. The gentleman must determine whether he chooses to adopt a policy of paying farmers to reduce their production of certain commodities and at the same time permit them to contribute toward the creation of a surplus of the commodities produced by other farmers who do not get equivalent benefits. After all, it does not seem to me to make sense to help one farmer in a way that will ruin others. We ask for fair treatment. We do not think it is fair to pay your farmers to reduce the production of your commodities and increase your production of the crops we produce.

Mr. CASE of South Dakota. Does the gentleman think that grass crops should be grown for just the value of the scenery?

Mr. BOILEAU. If the gentleman wants to plant grass crops, do it; but do not expect us to pay you if you feed those crops to livestock in competition with us. Do not ask us to pay you for something that is going to hurt us. We cannot produce your crops; we cannot grow your cotton.

Mr. CASE of South Dakota. But we do not grow cotton in South Dakota.

Mr. BOILEAU. I refer generally to those in opposition to this amendment. We cannot successfully grow your wheat or corn. We are in the dairy business, and we can produce good dairy products, as you will see if you will just eat some Wisconsin cheese. Then you will know we can. Let us stay in the kind of farming to which we have adjusted our economy. Do not ruin us. If you want to ruin us, do it under your own power and do not come to the United States Government and ask to be paid for ruining us. You cannot blame us for resenting that.

I have been accused in the speech of the gentleman from Michigan [Mr. HOOK] of bringing up sectional questions. There is not an ounce of sectionalism in my body. I supported the Bankhead bill and the tobacco-control bill. I supported every farm bill that I have, in good conscience, been able to support, and have gladly done so without any thought of sectionalism. Some of my friends from the tobacco sections have been kind enough on numerous occasions to say that the work that I did on the Agriculture Committee was helpful to them, and whether it was or was not, I assisted them cheerfully and was glad to do so. I shall always try to help out the farmers of all sections of the country. But when in your efforts to help certain types of agriculture, you advocate legislation that will injure us, you cannot blame us for asking you to change your proposal if you expect our support. I am supporting a farm bill that will give cost of production to the producers of all agricultural commodities, without regard to the area in which they are produced. That is not sectionalism. So far as sectionalism is concerned, I have opposed some of the legislation designed to give special treatment to certain sections of the country at the expense of others because I thought the sponsors were bringing in sectionalism.

Last summer when we had the third deficiency bill up, cotton got $65,000,000 a year for this and the next fiscal year out of section 32 funds. I opposed it and stated that I thought cotton was getting too much; but that was not sectionalism. My position has been confirmed by this very report that we will consider tomorrow. This year and next

year cotton will receive more than 50 percent of the fund created by section 32 for all farm products. When the farm bill was previously before the House, my suggestion to limit the amount for any one commodity to 25 percent of the fund was agreed to, and the conferees have retained that limitation in the bill. My criticism was considered then by some to be sectionalism, but I am glad to say that after June 30, 1939, no one commodity will get such an unfair share of this money as cotton is getting in this and the next fiscal year.

[Here the gavel fell.]

Mr. BOILEAU. Mr. Speaker, I ask unanimous consent to proceed for 5 additional minutes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. FERGUSON. Mr. Speaker, will the gentleman yield?

Mr. BOILEAU. Very briefly, but I wanted to disabuse the House of any idea that I had any feeling of sectionalism.

Mr. FERGUSON. The gentleman made a very splendid speech and got the votes from the city districts for his bill.

Mr. BOILEAU. And many of the farm districts; do not forget.

Mr. FERGUSON. Does the gentleman think we should carry this allocation of the privilege of growing or producing certain products to certain territory to its logical conclusion? In doing that should we, the cattle and beef producers of the Midwest say to the dairymen: "Since you have the privilege of curtailing the production of dairy products you cannot market your cattle for beef purposes?"

Mr. BOILEAU. All I say is that if we are going to pay farmers to keep out of the production of certain commodities, let them stay out entirely, let them keep that part of their land idle; that is the sensible thing to do. If, however, we want to make exceptions, we should make reasonable ones, requiring that the crops produced on lands on which we pay benefits be used on the farm, and not for market. It does not make sense to pay a farmer to take 10 acres out of the production of cotton and permit him to put it into the production of some other agricultural crop of which there is already a sufficient supply.

Mr. FERGUSON. But we are paying the dairymen on a dairy reduction program; so the dairymen ought not to be allowed to sell their cattle as beef cattle.

Mr. BOILEAU. There is but one fair way to handle this proposition; that is, if you are going to have production control, the best way is to control the land, so that if you take it out of the production of one crop you cannot put it into the production of another commercial crop. Under the present Soil Conservation Act all the commodities in the list I read in the early part of my remarks are protected; if a farmer takes land out of cotton production he cannot grow tobacco, he cannot grow wheat on that land, he cannot grow soy beans except under certain circumstances. The sugar-beet farmers are protected on their sugar beets, and so on down the line. To refuse to make the same exception in the case of the dairy industry is unfair and unjust.

Mr. MAAS. Mr. Speaker, will the gentleman yield?

Mr. BOILEAU. I yield.

Mr. MAAS. Is it not true that unless we solve the problem as a whole we are just passing it along from one section to another?

Mr. BOILEAU. The gentleman is absolutely correct. I believe in diversification; but we should not subsidize one group of farmers to diversify and not another group. That is the only principle for which I am contending, and I think it is a sound principle. Now, the gentleman from Oklahoma got me off this matter of sectionalism.

Mr. FERGUSON. Mr. Speaker, will the gentleman yield further?

Mr. BOILEAU. He will just get me further off.

Mr. FERGUSON. I merely wanted to tell the gentleman that I voted against the bill; I am against the bill.

Mr. BOILEAU. That is fine. Then, if the gentleman goes along with us and votes against the conference report, I do not think he and I will have any argument about it.

Mr. FERGUSON. I shall be glad to do that.

Mr. BOILEAU. I am delighted. To get back to this matter of sectionalism, let me go back to this cotton subsidy that was enacted in the closing days of the last regular session. I could not oppose it more vigorously, because we did not have time to consider it. I did all I could. I pointed out that cotton was getting too much money out of the farm fund. Even the Members from the cotton South and the other members of the conference committee agree that too much is being given to cotton, because they have accepted the limitation of 25 percent after this subsidy is paid—of course they did not agree to forego this unjustified dipping into section 32 funds—but this year and next year cotton alone will receive more than 50 percent of this fund which was intended to aid all surplus farm commodities.

Another reason for my protest at that time was that we did not have any idea as to what the conditions would be that would entitle cotton farmers to receive the subsidy. The proposal was that they would get these payments provided they complied with the 1938 program, but we did not have any idea what the 1938 program would be. There were many reasons to justify my opposition to that proposal, and I was not prompted by any spirit of sectionalism.

Getting back to the conference committee's proposed substitute for the McNary-Boileau amendment: The conferees have disregarded the expressed wishes of a majority in both Senate and House; they are guilty of a betrayal of the amendment agreed to by the House and Senate. I say it is a betrayal, because the Congress has spoken, the House and the Senate have agreed upon an amendment, and the conferees have crucified it.

The question resolves itself into the proposition of who is the master and who is the servant. Are the conferees whom the House appointed to serve on the conference committee our servants or our masters? You will decide that question tomorrow when you vote on this conference report. [Applause.]

[Here the gavel fell.]

THE FARM BILL

Mr. O'CONNOR, from the Committee on Rules, submitted the following report (No. 1766) (to accompany H. Res. 416) for printing:

House Resolution 416

Resolved, That immediately upon the adoption of this resolution the House shall proceed to the consideration of the conference report on the bill H. R. 8505, an act "To provide for the conservation of national soil resources and to provide an adequate and balanced flow of agricultural commodities in interstate and foreign commerce, and for other purposes"; that all points of order against said conference report are hereby waived; and that after debate on said conference report which may continue not to exceed 4 hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Agriculture, the previous question shall be considered as ordered on agreeing to the conference report.

PERMISSION TO ADDRESS THE HOUSE

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent to proceed for 3 minutes.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Massachusetts?

There was no objection.

Mrs. ROGERS of Massachusetts. Mr. Speaker, doubtless you and the other Members of the House noted in yesterday's and today's paper the tragic suicide of a man by the name of Joseph Danca who lived in Woburn in my district. This man had a wife, mother, and seven children. He had been granted a loan by the Home Owners' Loan Corporation. There was a foreclosure and an eviction. Temporary quarters were found for this family, but he had no employment and the strain was too great. He committed suicide.

Mr. Speaker, on the 7th of December I sent a letter to the Director of the Home Owners' Loan Corporation, Mr. Fahey, advising him of the great number of foreclosures and

evictions in the State of Massachusetts. I may say I never received an answer from Mr. Fahey to my letter protesting against the large number of evictions. I stated in the original letter a great hardship was being worked upon the owners because of the winter months and pointed out the fact that these homes could be of no present value to the Home Owners' Loan Corporation or to the Government and that it was very much better for the homes to be occupied.

I am going to read one paragraph of a letter written by me to Mr. Fahey on February 7:

Since my letter to you of December 7, 1937, several more families in pitiable circumstances have appealed to me for assistance and I have taken up their matters with your Corporation, but the evictions have continued. Your records show that the percentage of foreclosures in Massachusetts is higher than in any other State. Your Corporation, instead of giving sympathetic consideration to the home owners, seems to be taking advantage of the fact that foreclosure and eviction costs are low in Massachusetts. Your figures also show that in communities that suffered from flood and poor industrial conditions your foreclosures have been largest.

Mr. Speaker, I think there is something radically wrong in this situation. I believe Mr. Fahey has conducted his administration in a businesslike manner, too businesslike perhaps, but without sufficient consideration for the families involved. I earnestly hope the membership of the House will join with me in trying to prevent these evictions, particularly during the winter months. [Applause.]

Following is the letter which I wrote to Chairman Fahey today:

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, D. C., February 7, 1938.

Hon. JOHN H. FAHEY,
Chairman, Board of Directors,
Home Owners' Loan Corporation, Washington, D. C.

MY DEAR MR. FAHEY: As I have not received a reply to my letter to you of December 7, 1937, I am writing again urging that the Home Owners' Loan Corporation discontinue its practice of evicting families from their homes, especially during the next few winter months.

You have undoubtedly read in the newspapers of yesterday and today that Mr. Joseph Danca, of Woburn, Mass., 50 years old, with his wife, his mother, and seven children, was evicted from his home by the Home Owners' Loan Corporation on February 4 and committed suicide in his temporary home on February 5. The eviction order was secured on January 15 and the family asked to remain in the home until spring. The deputy sheriff served the eviction order on February 4 and found the family temporary quarters. Mr. Danca had been unemployed for several months and had been unable to make payments on the mortgage.

As pointed out in my previous letter, it is almost impossible to secure other tenants during the winter months. Leaving the homes vacant after eviction will result in heavy damage, depreciation, and heavy loss to the Home Owners' Loan Corporation. I have been informed that the records of your Corporation show that you are able to rent, under the most favorable circumstances, only about one-half of the homes from which you evict the owners.

Since my letter to you of December 7, 1937, several more families in pitiable circumstances have appealed to me for assistance and I have taken up their matters with your Corporation, but the evictions have continued. Your records show that the percentage of foreclosures in Massachusetts is higher than in any other State. Your Corporation, instead of giving sympathetic consideration to the home owners, seems to be taking advantage of the fact that foreclosure and eviction costs are low in Massachusetts. Your figures also show that in communities that suffered from flood and poor industrial conditions your foreclosures have been largest.

As I suggested when I talked with you at your office this morning, I urge that you investigate immediately the foreclosures and evictions in Massachusetts in order to grant sympathetic consideration as far as possible to the families whose homes are mortgaged to your Corporation. This consideration I hope may permit many of the families to keep title to their homes. From the large number of homes now in the possession of the Corporation and the large number of these homes unoccupied, financial loss to the Corporation is not likely to result from this consideration.

I also urge, in order to relieve as much suffering as possible on account of your foreclosures and evictions, that the representatives of your Corporation secure the cooperation and assistance for needy families of the Works Progress Administration, the welfare agencies, and other Government officials.

With best wishes, I am

Very sincerely yours,

EDITH NOURSE ROGERS.
(Mrs. John Jacob Rogers.)

[Here the gavel fell.]

Mrs. ROGERS of Massachusetts asked and was given permission to revise and extend her own remarks in the RECORD.

THE FARM BILL

Mr. JONES submitted the following conference report and statement to accompany the bill H. R. 8505, the Agricultural Adjustment Act of 1938:

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 8505) to provide for the conservation of national soil resources and to provide an adequate and balanced flow of agricultural commodities in interstate and foreign commerce, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows: That the House recede from its disagreement to the amendment of the Senate and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

"That this Act may be cited as the 'Agricultural Adjustment Act of 1938'.

"DECLARATION OF POLICY

"SEC. 2. It is hereby declared to be the policy of Congress to continue the Soil Conservation and Domestic Allotment Act, as amended, for the purpose of conserving national resources, preventing the wasteful use of soil fertility, and of preserving, maintaining, and rebuilding the farm and ranch land resources in the national public interest; to accomplish these purposes through the encouragement of soil-building and soil-conserving crops and practices; to assist in the marketing of agricultural commodities for domestic consumption and for export; and to regulate interstate and foreign commerce in cotton, wheat, corn, tobacco, and rice to the extent necessary to provide an orderly, adequate, and balanced flow of such commodities in interstate and foreign commerce through storage of reserve supplies, loans, marketing quotas, assisting farmers to obtain, insofar as practicable, parity prices for such commodities and parity of income, and assisting consumers to obtain an adequate and steady supply of such commodities at fair prices.

"TITLE I—AMENDMENTS TO SOIL CONSERVATION AND DOMESTIC ALLOTMENT ACT

"POWERS UNDER SOIL CONSERVATION

"SEC. 101. Section 8 (b) and (c) of the Soil Conservation and Domestic Allotment Act, as amended, are amended to read as follows:

"'(b) Subject to the limitations provided in subsection (a) of this section, the Secretary shall have power to carry out the purposes specified in clauses (1), (2), (3), (4), and (5) of section 7 (a) by making payments or grants of other aid to agricultural producers, including tenants and sharecroppers, in amounts determined by the Secretary to be fair and reasonable in connection with the effectuation of such purposes during the year with respect to which such payments or grants are made, and measured by (1) their treatment or use of their land, or a part thereof, for soil restoration, soil conservation, or the prevention of erosion; (2) changes in the use of their land; (3) their equitable share, as determined by the Secretary, of the normal national production of any commodity or commodities required for domestic consumption; or (4) their equitable share, as determined by the Secretary, of the national production of any commodity or commodities required for domestic consumption and exports adjusted to reflect the extent to which their utilization of cropland on the farm conforms to farming practices which the Secretary determines will best effectuate the purposes specified in section 7 (a); or (5) any combination of the above. In arid or semiarid sections, (1) and (2) above shall be construed to cover water conservation and the beneficial use of water on individual farms, including measures to prevent run-off, the building of check dams and ponds, and providing facilities for applying water to the land. In determining the amount of any payment or grant measured by (1) or (2) the Secretary shall take into consideration the productivity of the land affected by the farming practices adopted during the year with respect to which such payment is made. In carrying out the provisions of this section in the continental United States, the Secretary is directed to utilize the services of local and State committees selected as hereinafter provided. The Secretary shall designate local administrative areas as units for administration of programs under this section. No such local area shall include more than one county or parts of different counties. Farmers within any such local administrative area, and participating or cooperating in programs administered within such area, shall elect annually from among their number a local committee of not more than three members for such area and shall also elect annually from among their number a delegate to a county convention for the election of a county committee. The delegates from the various local areas in the county shall, in a county convention, elect, annually, the county committee for the county which shall consist of three members who are farmers in the county. The local committee shall select a secretary and may utilize the county agricultural extension agent for such purpose. The county committee shall select a secretary who may be the county agricultural extension agent. If such county agricultural extension agent shall not have been elected secretary of such committee, he shall be ex officio a member of the county committee. The county agricultural extension agent shall not have the power to vote. In any county in which there is only one local committee the local committee shall also be the county committee. In each State there shall be a State committee for the State composed of not less than three or more

than five farmers who are legal residents of the State and who are appointed by the Secretary. The State director of the Agricultural Extension Service shall be ex officio a member of such State committee. The ex officio members of the county and State committees shall be in addition to the number of members of such committees hereinbefore specified. The Secretary shall make such regulations as are necessary relating to the selection and exercise of the functions of the respective committees, and to the administration, through such committees, of such programs. In carrying out the provisions of this section, the Secretary—shall, as far as practicable, protect the interest of tenants and sharecroppers; is authorized to utilize the agricultural extension service and other approved agencies; shall accord such recognition and encouragement to producer-owned and producer-controlled cooperative associations as will be in harmony with the policy toward cooperative associations set forth in existing Acts of Congress and as will tend to promote efficient methods of marketing and distribution; shall not have power to acquire any land or any right or interest therein; shall, in every practicable manner, protect the interests of small producers; and shall in every practical way encourage and provide for soil-conserving and soil-rebuilding practices rather than the growing of soil-depleting crops. Rules and regulations governing payments or grants under this subsection shall be as simple and direct as possible, and, wherever practicable, they shall be classified on two bases, (a) Soil-depleting crops and practices, (b) soil-building crops and practices.

"'(c) (1) In apportioning acreage allotments under this section in the case of wheat and corn, the National and State allotments and the allotments to counties shall be apportioned annually on the basis of the acreage seeded for the production of the commodity during the ten calendar years immediately preceding the calendar year in which the national acreage allotment is determined (plus, in applicable years, the acreage diverted under previous agricultural adjustment and conservation programs), with adjustments for abnormal weather conditions and trends in acreage during the applicable period.

"'(2) In the case of wheat, the allotment to any county shall be apportioned annually by the Secretary, through the local committees, among the farms within such county on the basis of tillable acres, crop-rotation practices, type of soil, and topography. Not more than 3 per centum of such county allotment shall be apportioned to farms on which wheat has not been planted during any of the three marketing years immediately preceding the marketing year in which the allotment is made.

"'(3) In the case of corn, the allotment to any county shall be apportioned annually by the Secretary, through the local committees, among the farms within such county on the basis of tillable acreage, type of soil, topography, and crop-rotation practices.

"'(4) Notwithstanding any other provision of this subsection, if, for any reason other than flood or drought, the acreage of wheat, cotton, corn, or rice planted on the farm is less than 80 per centum of the farm acreage allotment for such commodity for the purpose of payment, such farm acreage allotment shall be 25 per centum in excess of such planted acreage.

"'(5) In determining normal yield per acre on any farm under this section in the case of wheat or corn, the normal yield shall be the average yield per acre thereon for such commodity during the ten calendar years immediately preceding the calendar year in which such yield is determined, adjusted for abnormal weather conditions and trends in yields. If for any reason there is no actual yield, or the data therefor are not available for any year, then an appraised yield for such year, determined in accordance with regulations of the Secretary, shall be used. If, on account of drought, flood, insect pests, plant disease, or other uncontrollable cause, the yield in any year of such ten-year period is less than 75 per centum of the average (computed without regard to such year), such year shall be eliminated in calculating the normal yield per acre.

"'(d) Any payment or grant of aid made under subsection (b) shall be conditioned upon the utilization of the land, with respect to which such payment is made, in conformity with farming practices which the Secretary finds tend to effectuate any one or more of the purposes specified in clause (1), (2), (3), (4), or (5) of section 7 (a).

"'Any payment made under subsection (b) with respect to any farm (except for lands which the Secretary determines should not be utilized for the harvesting of crops but should be used for grazing purposes only) shall, if the number of cows kept on such farm, and in the county in which such farm is located, for the production of milk or products thereof (for market), exceeds the normal number of such cows, be further conditioned upon the utilization of the land, with respect to which such payment is made, so that soil-building and soil-conserving crops planted or produced on an acreage equal to the land normally used for the production of soil-depleting crops but, as a condition of such payment, not permitted to be so used, shall be used for the purpose of building and conserving the fertility of the soil, or for the production of agricultural commodities to be consumed on the farm, and not for market. Whenever it is determined that a county, as a whole, is in substantial compliance with the provisions of this paragraph, no payment shall be denied any individual farmer in the county by reason of this paragraph; and no payment shall be denied a farmer by reason of this paragraph unless it has been determined that the farmer has not substantially complied with the provisions of this paragraph. Whenever the Secretary finds that by reason of drought, flood, or other disaster, a shortage of feed exists in any area, he shall so declare, and to the extent and for the period he finds necessary to relieve such shortage, the operation of the condition provided in this paragraph shall be suspended in such area and, if necessary to relieve such shortage, in other areas defined by him. As used in this paragraph, the term "for market" means for disposition by sale, barter, or exchange, or by feeding (in any form) to dairy livestock which, or the products of which, are to be sold, bartered, or exchanged; and such term shall not include consumption on the farm. An agricultural commodity shall be deemed consumed on the farm if consumed by the farmer's family, employees, or household, or if fed to poultry or livestock other than dairy livestock on his farm; or if fed to dairy livestock on his farm and such dairy livestock, or the products thereof, are to be consumed by his family, employees, or household. Whenever the Secretary has reason to believe the income of producers of livestock (other than dairy cattle) or poultry in any area from such sources is being adversely affected by increases in the supply for market of such livestock or poultry, as the case may be, arising as a result of programs carried out under this Act, he shall make an investigation with respect to the existence of such facts. If, upon investigation, the Secretary finds that the income of producers of such livestock or poultry, as the case may be, in any area from any such source is being adversely affected by such increases, he shall, as soon as practicable, make such provisions in the administration of this Act with respect to the use of diverted acres as he may find necessary to protect the interests of producers of such livestock or poultry in the affected area.'

"REDUCTION AND INCREASES IN PAYMENTS UNDER SOIL CONSERVATION PROGRAM

"SEC. 102. Section 8 of the Soil Conservation and Domestic Allotment Act, as amended, is further amended by adding a new subsection as follows:

"'(e) Payments made by the Secretary to farmers under subsection (b) shall be divided among the landlords, tenants, and sharecroppers of any farm, with respect to which such payments are made, in the same proportion that such landlords, tenants, and sharecroppers are entitled to share in the proceeds of the agricultural commodity with respect to which such payments are made, except that payments based on soil-building or soil-conserving practices shall be divided in proportion to the extent which such landlords, tenants, and sharecroppers contribute to the carrying out of such practices. Such payments shall be paid by the Secretary directly to the landlords, tenants, or sharecroppers entitled thereto, and shall be computed at rates which will permit the Secretary to set aside out of the funds available for the making of such payments for each year an amount sufficient to permit the increases herein specified to be made within the limits of the funds so available. If with respect to any farm the total payment to any person for any year would be:

"'(1) Not more than $20, the payment shall be increased by 40 per centum;

"'(2) More than $20 but not more than $40, the payment shall be increased by $8, plus 20 per centum of the excess over $20;

"'(3) More than $40 but not more than $60, the payment shall be increased by $12, plus 10 per centum of the excess over $40;

"'(4) More than $60 but not more than $186, the payment shall be increased by $14; or

"'(5) More than $186 but less than $200, the payment shall be increased to $200.

"'In the case of payments of more than $1, the amount of the payment which shall be used to calculate the 40-, 20-, and 10-per-centum increases under clauses (1), (2), and (3) shall not include that part, if any, of the payment which is a fraction of a dollar.

"'Beginning with the calendar year 1939, no total payment for any year to any person under such subsection (b) shall exceed $10,000. In the case of payments made to any individual, partnership, or estate on account of performance on farms in different States, Territories, or possessions, the $10,000 limitation shall apply to the total of the payments for each State, Territory, or possession, for a year and not to the total of all such payments.'

"TENANT PROVISIONS

"SEC. 103. Section 8 of the Soil Conservation and Domestic Allotment Act, as amended, is further amended by adding the following new subsections:

"'(f) Any change between the landlord and the tenants or sharecroppers, with respect to any farm, that would increase over the previous year the amount of payments or grants of other aid under subsection (b) that would otherwise be made to any landlord shall not operate to increase such payment or grant to such landlord. Any reduction in the number of tenants below the average number of tenants on any farm during the preceding three years that would increase the payments or grants of other aid under such subsection that would otherwise be made to the landlord shall not hereafter operate to increase any such payment or grant to such landlord. Such limitations shall apply only if the county committee finds that the change or reduction is not justified and disapproves such change or reduction.

"'(g) A payment which may be made to a farmer under this section, may be assigned, without discount, by him in writing as security for cash or advances to finance making a crop. Such assignment shall be acknowledged by the farmer before the county agricultural extension agent and filed with such agent. The farmer shall file with such county agricultural extension agent an affidavit stating that the assignment is not made to pay or secure any pre-existing indebtedness. This provision shall not authorize any suit against or impose any liability upon the

Secretary or any disbursing agent if payment to the farmer is made without regard to the existence of any such assignment.'

"APPORTIONMENT OF FUNDS

"SEC. 104. Section 15 of the Soil Conservation and Domestic Allotment Act, as amended, is amended by inserting at the end thereof the following new paragraph:

"'The funds available for payments (after allowing for estimated administrative expenses, and not to exceed 5 per centum for payments with respect to range lands, noncrop pasture lands, and naval stores) shall be allocated among the commodities produced with respect to which payments or grants are to be computed. In allocating funds among the commodities the Secretary shall take into consideration and give equal weight to (1) the average acreages planted to the various commodities (including rotation pasture), for the ten years 1928 to 1937, adjusted for abnormal weather and other conditions, including acreage diverted from production under the agricultural adjustment and soil conservation programs; (2) the value at parity prices of the production from the allotted acreages of the various commodities for the year with respect to which the payment is made; (3) the average acreage planted to the various commodities during the ten years 1928 to 1937, including the acreage diverted from production under the agricultural adjustment and soil conservation programs, in excess of the allotted acreage for the year with respect to which the payment is made; and (4) the value based on average prices for the preceding ten years of the production of the excess acreage determined under item (3). The rate of payment used in making payments to the producers of each commodity shall be such that the estimated payments with respect to such commodity shall equal the amount of funds allocated to such commodity as herein provided. For the purpose of allocating funds and computing payments or grants the Secretary is authorized to consider as a commodity a group of commodities or a regional or market classification of a commodity. For the purpose of computing payments or grants, the Secretary is authorized to use funds allocated to two or more commodities produced on farms of a designated regional or other classification to compute payments with respect to one of such commodities on such farms, and to use funds, in an amount equal to the estimated payments which would be made in any county, for making payments pursuant to a special program under section 8 approved by the Secretary for such county: *Provided*, That farm acreage allotments shall be made for wheat in 1938, but in determining compliance wheat shall be considered in the group with other crops for which special acreage allotments are not made.'

"EFFECTIVE TIME OF SECTIONS 101, 102, 103, AND 104

"SEC. 105. The amendments made by sections 101, 102, 103, and 104 shall first be effective with respect to farming operations carried out in the calendar year 1938. Nothing contained herein shall require reconstituting, for 1938, any county or other local committee which has been constituted prior to February 1, 1938.

"TITLE II—ADJUSTMENT IN FREIGHT RATES, NEW USES AND MARKETS, AND DISPOSITION OF SURPLUSES

"ADJUSTMENTS IN FREIGHT RATES FOR FARM PRODUCTS

"SEC. 201. (a) The Secretary of Agriculture is authorized to make complaint to the Interstate Commerce Commission with respect to rates, charges, tariffs, and practices relating to the transportation of farm products, and to prosecute the same before the Commission. Before hearing or disposing of any complaint (filed by any person other than the Secretary) with respect to rates, charges, tariffs, and practices relating to the transportation of farm products, the Commission shall cause the Secretary to be notified, and, upon application by the Secretary, shall permit the Secretary to appear and be heard.

"(b) If such rate, charge, tariff, or practice complained of is one affecting the public interest, upon application by the Secretary, the Commission shall make the Secretary a party to the proceeding. In such case the Secretary shall have the rights of a party before the Commission and the rights of a party to invoke and pursue original and appellate judicial proceedings involving the Commission's determination. The liability of the Secretary in any such case shall extend only to liability for court costs.

"(c) For the purposes of this section, the Interstate Commerce Commission is authorized to avail itself of the cooperation, records, services, and facilities of the Department of Agriculture.

"(d) The Secretary is authorized to cooperate with and assist cooperative associations of farmers making complaint to the Interstate Commerce Commission with respect to rates, charges, tariffs, and practices relating to the transportation of farm products.

"NEW USES AND NEW MARKETS FOR FARM COMMODITIES

"SEC. 202. (a) The Secretary is hereby authorized and directed to establish, equip, and maintain four regional research laboratories, one in each major farm producing area, and, at such laboratories, to conduct researches into and to develop new scientific, chemical, and technical uses and new and extended markets and outlets for farm commodities and products and byproducts thereof. Such research and development shall be devoted primarily to those farm commodities in which there are regular or seasonal surpluses, and their products and byproducts.

"(b) For the purposes of subsection (a), the Secretary is authorized to acquire land and interests therein, and to accept in the name of the United States donations of any property, real or personal, to any laboratory established pursuant to this section, and to utilize voluntary or uncompensated services at such laboratories. Donations to any one of such laboratories shall not be available for use by any other of such laboratories.

"(c) In carrying out the purposes of subsection (a), the Secretary is authorized and directed to cooperate with other departments or agencies of the Federal Government, States, State agricultural experiment stations, and other State agencies and institutions, counties, municipalities, business or other organizations, corporations, associations, universities, scientific societies, and individuals, upon such terms and conditions as he may prescribe.

"(d) To carry out the purposes of subsection (a), the Secretary is authorized to utilize in each fiscal year, beginning with the fiscal year beginning July 1, 1938, a sum not to exceed $4,000,000 of the funds appropriated pursuant to section 391 of this Act, or section 15 of the Soil Conservation and Domestic Allotment Act, as amended, for such fiscal year. The Secretary shall allocate one-fourth of such sum annually to each of the four laboratories established pursuant to this section.

"(e) The Secretary shall make a report to Congress at the beginning of each regular session of the activities of, expenditures by, and donations to the laboratories established pursuant to subsection (a).

"(f) There is hereby allocated to the Secretary of Commerce for each fiscal year, beginning with the fiscal year beginning July 1, 1938, out of funds appropriated for such fiscal year pursuant to section 391 of this Act, or section 15 of the Soil Conservation and Domestic Allotment Act, as amended, the sum of $1,000,000 to be expended for the promotion of the sale of farm commodities and products thereof in such manner as he shall direct. Of the sum allocated under this subsection to the Secretary of Commerce for the fiscal year beginning July 1, 1938, $100,000 shall be devoted to making a survey and investigation of the cause or causes of the reduction in exports of agricultural commodities from the United States, in order to ascertain methods by which the sales in foreign countries of basic agricultural commodities produced in the United States may be increased.

"(g) It shall be the duty of the Secretary to use available funds to stimulate and widen the use of all farm commodities in the United States and to increase in every practical way the flow of such commodities and the products thereof into the markets of the world.

"SEC. 203. Section 32, as amended, of the Act entitled 'An Act to amend the Agricultural Adjustment Act, and for other purposes', approved August 24, 1935, is amended by striking out ': *Provided further*, That no part of the funds appropriated by this section shall be used for the payment of benefits in connection with the exportation of unmanufactured cotton', and is further amended by adding at the end thereof the following: 'Notwithstanding any other provision of this section, the amount that may be devoted, during any fiscal year after June 30, 1939, to any one agricultural commodity or the products thereof in such fiscal year, shall not exceed 25 per centum of the funds available under this section for such fiscal year.'

"CONTINUATION OF FEDERAL SURPLUS COMMODITIES CORPORATION

"SEC. 204. The Act entitled 'An Act to extend the time for purchase and distribution of surplus agricultural commodities for relief purposes and to continue the Federal Surplus Commodities Corporation', approved June 28, 1937 (Public, numbered 165, Seventy-fifth Congress), is amended by striking out 'continued, until June 30, 1939,' and inserting in lieu thereof 'continued, until June 30, 1942,'. The Federal Surplus Commodities Corporation shall submit to Congress on the first day of each regular session an annual report setting forth a statement of the activities, receipts, and expenditures of the Corporation during the previous fiscal year.

"TITLE III—LOANS, PARITY PAYMENTS, CONSUMER SAFEGUARDS, AND MARKETING QUOTAS

"SUBTITLE A—DEFINITIONS, LOANS, PARITY PAYMENTS, AND CONSUMER SAFEGUARDS

"DEFINITIONS

"SEC. 301. (a) General definitions: For the purposes of this title and the declaration of policy—

"(1) 'Parity', as applied to prices for any agricultural commodity, shall be that price for the commodity which will give to the commodity a purchasing power with respect to articles that farmers buy equivalent to the purchasing power of such commodity in the base period; and, in the case of all commodities for which the base period is the period August 1909 to July 1914, which will also reflect current interest payments per acre on farm indebtedness secured by real estate, tax payments per acre on farm real estate, and freight rates, as contrasted with such interest payments, tax payments, and freight rates during the base period. The base period in the case of all agricultural commodities except tobacco shall be the period August 1909 to July 1914, and, in the case of tobacco, shall be the period August 1919 to July 1929.

"(2) 'Parity', as applied to income, shall be that per capita net income of individuals on farms from farming operations that bears to the per capita net income of individuals not on farms the same relation as prevailed during the period from August 1909 to July 1914.

"(3) The term 'interstate and foreign commerce' means sale, marketing, trade, and traffic between any State or Territory or the District of Columbia or Puerto Rico, and any place outside thereof; or between points within the same State or Territory or within the District of Columbia or Puerto Rico, through any place outside

thereof; or within any Territory or within the District of Columbia or Puerto Rico.

"(4) The term 'affect interstate and foreign commerce' means, among other things, in such commerce, or to burden or obstruct such commerce or the free and orderly flow thereof; or to create or tend to create a surplus of any agricultural commodity which burdens or obstructs such commerce or the free and orderly flow thereof.

"(5) The term 'United States' means the several States and Territories and the District of Columbia and Puerto Rico.

"(6) The term 'State' includes a Territory and the District of Columbia and Puerto Rico.

"(7) The term 'Secretary' means the Secretary of Agriculture, and the term 'Department' means the Department of Agriculture.

"(8) The term 'person' means an individual, partnership, firm, joint-stock company, corporation, association, trust, estate, or any agency of a State.

"(9) The term 'corn' means field corn.

"(b) Definitions applicable to one or more commodities: For the purposes of this title—

"(1) (A) 'Actual production' as applied to any acreage of corn means the number of bushels of corn which the local committee determines would be harvested as grain from such acreage if all the corn on such acreage were so harvested. In case of a disagreement between the farmer and the local committee as to the actual production of the acreage of corn on the farm, or in case the local committee determines that such actual production is substantially below normal, the local committee, in accordance with regulations of the Secretary, shall weigh representative samples of ear corn taken from the acreage involved, make proper deductions for moisture content, and determine the actual production of such acreage on the basis of such samples.

"(B) 'Actual production' of any number of acres of cotton on a farm means the actual average yield for the farm times such number of acres.

"(2) 'Bushel' means in the case of ear corn that amount of ear corn, including not to exceed 15½ per centum of moisture content, which weighs seventy pounds, and in the case of shelled corn, means that amount of shelled corn including not to exceed 15½ per centum of moisture content, which weighs fifty-six pounds.

"(3) (A) 'Carry-over', in the case of corn and rice, for any marketing year shall be the quantity of the commodity on hand in the United States at the beginning of such marketing year, which was produced in the United States prior to the beginning of the calendar year then current.

"(B) 'Carry-over' of cotton for any marketing year shall be the quantity of cotton on hand either within or without the United States at the beginning of such marketing year, which was produced in the United States prior to the beginning of the calendar year then current.

"(C) 'Carry-over' of tobacco for any marketing year shall be the quantity of such tobacco on hand in the United States at the beginning of such marketing year, which was produced in the United States prior to the beginning of the calendar year then current, except that in the case of cigar-filler and cigar-binder tobacco the quantity of type 46 on hand and theretofore produced in the United States during such calendar year shall also be included.

"(D) 'Carry-over' of wheat, for any marketing year shall be the quantity of wheat on hand in the United States at the beginning of such marketing year, not including any wheat which was produced in the United States during the calendar year then current, and not including any wheat held by the Federal Crop Insurance Corporation under Title V.

"(4) (A) 'Commercial corn-producing area' shall include all counties in which the average production of corn (excluding corn used as silage) during the ten calendar years immediately preceding the calendar year for which such area is determined, after adjustment for abnormal weather conditions, is four hundred and fifty bushels or more per farm and four bushels or more for each acre of farm land in the county.

"(B) Whenever prior to February 1 of any calendar year the Secretary has reason to believe that any county which is not included in the commercial corn-producing area determined pursuant to the provisions of subparagraph (A), but which borders upon one of the counties in such area, or that any minor civil division in a county bordering on such area, is producing (excluding corn used for silage) an average of at least four hundred and fifty bushels of corn per farm and an average of at least four bushels for each acre of farm land in the county or in the minor civil division, as the case may be, he shall cause immediate investigation to be made to determine such fact. If, upon the basis of such investigation, the Secretary finds that such county or minor civil division is likely to produce corn in such average amounts during such calendar year, he shall proclaim such determination, and, commencing with such calendar year, such county shall be included in the commercial corn-producing area. In the case of a county included in the commercial corn-producing area pursuant to this subparagraph, whenever prior to February 1 of any calendar year the Secretary has reason to believe that facts justifying the inclusion of such county are not likely to exist in such calendar year, he shall cause an immediate investigation to be made with respect thereto. If, upon the basis of such investigation, the Secretary finds that such facts are not likely to exist in such calendar year, he shall proclaim such determination, and commencing with such calendar year, such county shall be excluded from the commercial corn-producing area.

"(5) 'Farm consumption' of corn means consumption by the farmer's family, employees, or household, or by his work stock; or consumption by poultry or livestock on his farm if such poultry or livestock, or the products thereof, are consumed or to be consumed by the farmer's family, employees, or household.

"(6) (A) 'Market', in the case of cotton, wheat, and tobacco, means to dispose of by sale, barter, or exchange, but, in the case of wheat, does not include disposing of wheat as premium to the Federal Crop Insurance Corporation under Title V.

"(B) 'Market', in the case of corn, means to dispose of by sale, barter, or exchange, or by feeding (in any form) to poultry or livestock which, or the products of which, are sold, bartered, or exchanged, or to be so disposed of.

"(C) 'Market', in the case of rice, means to dispose of by sale, barter, or exchange of rice used or to be used for human consumption.

"(D) 'Marketed', 'marketing', and 'for market' shall have corresponding meanings to the term 'market' in the connection in which they are used.

"(7) 'Marketing year' means, in the case of the following commodities, the period beginning on the first and ending with the second date specified below:

"Corn, October 1–September 30;

"Cotton, August 1–July 31;

"Rice, August 1–July 31;

"Tobacco (flue-cured), July 1–June 30;

"Tobacco (other than flue-cured), October 1–September 30;

"Wheat, July 1–June 30.

"(8) 'National average yield' as applied to cotton or wheat shall be the national average yield per acre of the commodity during the ten calendar years in the case of wheat, and during the five calendar years in the case of cotton, preceding the year in which such national average yield is used in any computation authorized in this title, adjusted for abnormal weather conditions and, in the case of wheat, but not in the case of cotton, for trends in yields.

"(9) 'Normal production' as applied to any number of acres of corn, cotton, or wheat means the normal yield for the farm times such number of acres.

"(10) (A) 'Normal supply' in the case of corn, cotton, rice, and wheat shall be a normal year's domestic consumption and exports of the commodity, plus 7 per centum in the case of corn, 40 per centum in the case of cotton, 10 per centum in the case of rice, and 15 per centum in the case of wheat, of a normal year's domestic consumption and exports, as an allowance for a normal carry-over.

"(B) The 'normal supply' of tobacco shall be a normal year's domestic consumption and exports plus 175 per centum of a normal year's domestic consumption and 65 per centum of a normal year's exports as an allowance for a normal carry-over.

"(11) (A) 'Normal year's domestic consumption', in the case of corn and wheat, shall be the yearly average quantity of the commodity, wherever produced, that was consumed in the United States during the ten marketing years immediately preceding the marketing year in which such consumption is determined, adjusted for current trends in such consumption.

"(B) 'Normal year's domestic consumption', in the case of cotton and tobacco, shall be the yearly average quantity of the commodity produced in the United States that was consumed in the United States during the ten marketing years immediately preceding the marketing year in which such consumption is determined, adjusted for current trends in such consumption.

"(C) 'Normal year's domestic consumption', in the case of rice, shall be the yearly average quantity of rice produced in the United States that was consumed in the United States during the five marketing years immediately preceding the marketing year in which such consumption is determined, adjusted for current trends in such consumption.

"(12) 'Normal year's exports' in the case of corn, cotton, rice, tobacco, and wheat shall be the yearly average quantity of the commodity produced in the United States that was exported from the United States during the ten marketing years (or, in the case of rice, the five marketing years) immediately preceding the marketing year in which such exports are determined, adjusted for current trends in such exports.

"(13) (A) 'Normal yield' for any farm, in the case of corn, shall be the average yield per acre of corn for the farm during the ten calendar years immediately preceding the year in which such normal yield is used in computing any farm marketing quota or adjustment thereof, adjusted for abnormal weather conditions and trends in yields.

"(B) 'Normal yield' for any farm, in the case of wheat or cotton, shall be the average yield per acre of wheat or cotton for the farm, adjusted for abnormal weather conditions, and, in the case of wheat but not in the case of cotton, for trends in yields, during the ten calendar years in the case of wheat, and five calendar years in the case of cotton, immediately preceding the year with respect to which such normal yield is used in any computation authorized under this title.

"(C) In applying subparagraph (A) or (B), if for any such year the data are not available, or there is no actual yield, an appraised yield for such year, determined in accordance with regulations issued by the Secretary, shall be used as the actual yield for such year. In applying such subparagraphs, if, on account of drought,

flood, insect pests, plant disease, or other uncontrollable natural cause, the yield in any year of such ten-year period or five-year period, as the case may be, is less than 75 per centum of the average (computed without regard to such year), such year shall be eliminated in calculating the normal yield per acre.

"(D) 'Normal yield' per acre of rice for any land planted to rice in any year shall be the average yield per acre thereof during the five calendar years immediately preceding the calendar year for which such normal yield is determined. If, for any reason, there is no actual yield or the data therefor are not available for any year, then an appraised yield for such year, determined in accordance with the regulations of the Secretary, shall be used. If the average of the normal yields for all lands planted to rice in any year in the State (weighted by the acreage allotments therein) exceeds the average yield per acre for the State during the period used in determining normal yields, the normal yields for such lands in the State shall be reduced pro rata so that the average of such normal yields shall not exceed such State average yield.

"(14) (A) 'Reserve supply level', in the case of corn, shall be a normal year's domestic consumption and exports of corn plus 10 per centum of a normal year's domestic consumption and exports, to insure a supply adequate to meet domestic consumption and export needs in years of drought, flood, or other adverse conditions, as well as in years of plenty.

"(B) 'Reserve supply level' of tobacco shall be the normal supply plus 5 per centum thereof, to insure a supply adequate to meet domestic consumption and export needs in years of drought, flood, or other adverse conditions, as well as in years of plenty.

"(15) 'Tobacco' means each one of the kinds of tobacco listed below comprising the types specified as classified in Service and Regulatory Announcement Numbered 118 of the Bureau of Agricultural Economics of the Department:

"Flue-cured tobacco, comprising types 11, 12, 13, and 14;

"Fire-cured and dark air-cured tobacco, comprising types 21, 22, 23, 24, 35, 36, and 37;

"Burley tobacco, comprising type 31;

"Maryland tobacco, comprising type 32;

"Cigar-filler and cigar-binder tobacco, comprising types 42, 43, 44, 45, 46, 51, 52, 53, 54, and 55;

"Cigar-filler tobacco, comprising type 41.

"The provisions of this title shall apply to each of such kinds of tobacco severally.

"(16) (A) 'Total supply' of corn, cotton, rice, and wheat for any marketing year shall be the carry-over of the commodity for such marketing year plus the estimated production of the commodity in the United States during the calendar year in which such marketing year begins.

"(B) 'Total supply' of tobacco for any marketing year shall be the carry-over at the beginning of such marketing year plus the estimated production thereof in the United States during the calendar year in which such marketing year begins, except that the estimated production of type 46 tobacco during the marketing year with respect to which the determination is being made shall be used in lieu of the estimated production of such type during the calendar year in which such marketing year begins in determining the total supply of cigar-filler and cigar-binder tobacco.

"(c) The latest available statistics of the Federal Government shall be used by the Secretary in making the determinations required to be made by the Secretary under this Act.

"LOANS ON AGRICULTURAL COMMODITIES

"SEC. 302. (a) The Commodity Credit Corporation is authorized, upon recommendation of the Secretary and with the approval of the President, to make available loans on agricultural commodities (including dairy products). Except as otherwise provided in this section, the amount, terms, and conditions of such loans shall be fixed by the Secretary, subject to the approval of the Corporation and the President.

"(b) The Corporation is directed to make available to cooperators loans upon wheat during any marketing year beginning in a calendar year in which the farm price of wheat on June 15 is below 52 per centum of the parity price on such date, or the July crop estimate for wheat is in excess of a normal year's domestic consumption and exports, at rates not less than 52 per centum and not more than 75 per centum of the parity price of wheat at the beginning of the marketing year. In case marketing quotas for wheat are in effect in any marketing year, the Corporation is directed to make available, during such marketing year, to noncooperators, loans upon wheat at 60 per centum of the rate applicable to cooperators. A loan on wheat to a noncooperator shall be made only on so much of his wheat as would be subject to penalty if marketed.

"(c) The Corporation is directed to make available to cooperators loans upon cotton during any marketing year beginning in a calendar year in which the average price on August 1 of seven-eighths Middling spot cotton on the ten markets designated by the Secretary is below 52 per centum of the parity price of cotton on such date, or the August crop estimate for cotton is in excess of a normal year's domestic consumption and exports, at rates not less than 52 per centum and not more than 75 per centum of the parity price of cotton as of the beginning of the marketing year. In case marketing quotas for cotton are in effect in any marketing year, the Corporation is directed to make available, during such marketing year, to noncooperators, loans upon cotton at 60 per centum of the rate applicable to cooperators. A loan on cotton to a noncooperator shall be made on so much of his cotton as would be subject to penalty if marketed.

"(d) The Corporation is directed to make available loans upon corn during any marketing year beginning in the calendar year in which the November crop estimate for corn is in excess of a normal year's domestic consumption and exports, or in any marketing year when on November 15 the farm price of corn is below 75 per centum of the parity price, at the following rates:

"75 per centum of such parity price if such estimate does not exceed a normal year's consumption and exports and the farm price of corn is below 75 per centum of the parity price on November 15;

"70 per centum of such parity price if such estimate exceeds a normal year's domestic consumption and exports by not more than 10 per centum;

"65 per centum of such parity price if such estimate exceeds a normal year's domestic consumption and exports by more than 10 per centum and not more than 15 per centum;

"60 per centum of such parity price if such estimate exceeds a normal year's domestic consumption and exports by more than 15 per centum and not more than 20 per centum;

"55 per centum of such parity price if such estimate exceeds a normal year's domestic consumption and exports by more than 20 per centum and not more than 25 per centum;

"52 per centum of such parity price if such estimate exceeds a normal year's domestic consumption and exports by more than 25 per centum.

Loans shall be made to cooperators in the commercial corn-producing area at the applicable rate of the above schedule. Loans shall be made to noncooperators within such commercial corn-producing area but only during a marketing year in which farm marketing quotas are in effect and only on corn stored under seal pursuant to section 324, and the rate of such loans shall be 60 per centum of the applicable rate under the above schedule. Loans shall be made to cooperators outside such commercial corn-producing area, and the rate of such loans shall be 75 per centum of the applicable rate under the above schedule.

"(e) The rates of loans under subsections (b), (c), and (d) on wheat, cotton, and corn not of standard grade, type, staple, or quality shall be increased or decreased in relation to the rates above provided by such amounts as the Secretary prescribes as properly reflecting differences from standard in grade, type, staple, and quality.

"(f) For the purposes of subsections (b), (c), and (d), a cooperator shall be a producer on whose farm the acreage planted to the commodity for the crop with respect to which the loan is made does not exceed the farm acreage allotment for the commodity under this title, or, in the case of loans upon corn to a producer outside the commercial corn-producing area, a producer on whose farm the acreage planted to soil-depleting crops does not exceed the farm acreage allotment for soil-depleting crops for the year in which the loan is made under the Soil Conservation and Domestic Allotment Act, as amended. For the purposes of this subsection a producer shall not be deemed to have exceeded his farm acreage allotment unless such producer knowingly exceeded his farm-acreage allotment.

"(g) Notwithstanding any other provision of this section, if the farmers producing cotton, wheat, corn, or rice indicate by vote in a referendum carried out pursuant to the provisions of this title that marketing quotas with respect to such commodity are opposed by more than one-third of the farmers voting in such referendum, no loan shall be made pursuant to this section with respect to the commodity during the period from the date on which the results of the referendum are proclaimed by the Secretary until the beginning of the second succeeding marketing year for such commodity. This subsection shall not limit the availability or renewal of any loan previously made.

"(h) No producer shall be personally liable for any deficiency arising from the sale of the collateral securing any loan under this section unless such loan was obtained through fraudulent representations by the producer.

"(i) In carrying out this section the Corporation is directed, with the consent of the Secretary, to utilize the services, facilities, and personnel of the Department.

"PARITY PAYMENTS

"SEC. 303. If and when appropriations are made therefor, the Secretary is authorized and directed to make payments to producers of corn, wheat, cotton, rice, or tobacco, on their normal production of such commodities in amounts which, together with the proceeds thereof, will provide a return to such producers which is as nearly equal to parity price as the funds so made available will permit. All funds available for such payments with respect to these commodities shall, unless otherwise provided by law, be apportioned to these commodities in proportion to the amount by which each falls to reach the parity income. Such payments shall be in addition to and not in substitution for any other payments authorized by law.

"CONSUMER SAFEGUARDS

"SEC. 304. The powers conferred under this Act shall not be used to discourage the production of supplies of foods and fibers sufficient to maintain normal domestic human consumption as determined by the Secretary from the records of domestic human consumption in the years 1920 to 1929, inclusive, taking into consideration increased population, quantities of any commodity that were forced into domestic consumption by decline in exports during such period, current trends in domestic consumption and exports of particular commodities, and the quantities of substitutes

available for domestic consumption within any general class of food commodities. In carrying out the purposes of this Act it shall be the duty of the Secretary to give due regard to the maintenance of a continuous and stable supply of agricultural commodities from domestic production adequate to meet consumer demand at prices fair to both producers and consumers.

"SUBTITLE B—MARKETING QUOTAS

"PART I—MARKETING QUOTAS—TOBACCO

"LEGISLATIVE FINDING

"SEC. 311. (a) The marketing of tobacco constitutes one of the great basic industries of the United States with ramifying activities which directly affect interstate and foreign commerce at every point, and stable conditions therein are necessary to the general welfare. Tobacco produced for market is sold on a Nation-wide market and, with its products, moves almost wholly in interstate and foreign commerce from the producer to the ultimate consumer. The farmers producing such commodity are subject in their operations to uncontrollable natural causes, are widely scattered throughout the Nation, in many cases such farmers carry on their farming operations on borrowed money or leased lands, and are not so situated as to be able to organize effectively, as can labor and industry through unions and corporations enjoying Government protection and sanction. For these reasons, among others, the farmers are unable without Federal assistance to control effectively the orderly marketing of such commodity with the result that abnormally excessive supplies thereof are produced and dumped indiscriminately on the Nation-wide market.

"(b) The disorderly marketing of such abnormally excessive supplies affects, burdens, and obstructs interstate and foreign commerce by (1) materially affecting the volume of such commodity marketed therein, (2) disrupting the orderly marketing of such commodity therein, (3) reducing the price for such commodity with consequent injury and destruction of interstate and foreign commerce in such commodity, and (4) causing a disparity between the prices for such commodity in interstate and foreign commerce and industrial products therein, with a consequent diminution of the volume of interstate and foreign commerce in industrial products.

"(c) Whenever an abnormally excessive supply of tobacco exists, the marketing of such commodity by the producers thereof directly and substantially affects interstate and foreign commerce in such commodity and its products, and the operation of the provisions of this Part becomes necessary and appropriate in order to promote, foster, and maintain an orderly flow of such supply in interstate and foreign commerce.

"NATIONAL MARKETING QUOTA

"SEC. 312. (a) Whenever, on the 15th day of November of any calendar year, the Secretary finds that the total supply of tobacco as of the beginning of the marketing year then current exceeds the reserve supply level therefor, the Secretary shall proclaim the amount of such total supply, and, beginning on the first day of the marketing year next following and continuing throughout such year, a national marketing quota shall be in effect for the tobacco marketed during such marketing year. The Secretary shall also determine and specify in such proclamation the amount of the national marketing quota in terms of the total quantity of tobacco which may be marketed, which will make available during such marketing year a supply of tobacco equal to the reserve supply level. Such proclamation shall be made not later than the 1st day of December in such year.

"(b) Whenever in the case of burley tobacco, and fire-cured and dark air-cured tobacco, respectively, the total supply proclaimed pursuant to the provisions of subsection (a) of this section exceeds the reserve supply level by more than 5 per centum and a national marketing quota is not in effect for such tobacco during the marketing year then current, a national marketing quota shall also be in effect for such tobacco marketed during the period from the date of such proclamation to the end of such current marketing year, and the Secretary shall determine and shall specify in such proclamation the amount of such national marketing quota in terms of the total quantity which may be marketed, which will make available during such current marketing year a supply of tobacco equal to the reserve supply level. The provisions of this subsection shall not be effective prior to the beginning of the marketing year beginning in the calendar year 1938.

"(c) Within thirty days after the date of the issuance of the proclamation specified in subsection (a) of this section, the Secretary shall conduct a referendum of farmers who were engaged in production of the crop of tobacco harvested prior to the holding of the referendum to determine whether such farmers are in favor of or opposed to such quota. If in the case of burley tobacco, or fire-cured and dark air-cured tobacco, respectively, farmers would be subject to a national quota for the next succeeding marketing year pursuant to the provisions of subsection (a) of this section, and also to a national marketing quota for the current marketing year pursuant to the provisions of subsection (b) of this section, the referendum shall provide for voting with respect to each such quota. If more than one-third of the farmers voting in the referendum oppose such quota, the Secretary shall, prior to the 1st day of January, proclaim the result of the referendum and such quota shall not be effective thereafter.

"(d) In connection with the determination and proclamation of any marketing quota for the 1938–1939 marketing year, the determination by the Secretary pursuant to subsection (a) of this section shall be made and proclaimed within fifteen days following the date of the enactment of this Act, and the proclamation of the Secretary pursuant to subsection (c) of this section shall be made within forty-five days following the date of the enactment of this Act.

"(e) Marketing quotas shall not be in effect with respect to cigar-filler tobacco comprising type 41 during the marketing year beginning in 1938 or the marketing year beginning in 1939.

"APPORTIONMENT OF NATIONAL MARKETING QUOTA

"SEC. 313. (a) The national marketing quota for tobacco established pursuant to the provisions of section 312, less the amount to be allotted under subsection (c) of this section, shall be apportioned by the Secretary among the several States on the basis of the total production of tobacco in each State during the five calendar years immediately preceding the calendar year in which the quota is proclaimed (plus, in applicable years, the normal production on the net acreage diverted under previous agricultural adjustment and conservation programs), with such adjustments as are determined to be necessary to make correction for abnormal conditions of production, for small farms, and for trends in production, giving due consideration to seed bed and other plant diseases during such five-year period: *Provided, however,* That to prevent in any case too sharp and sudden reduction in acreage of tobacco production in any State, the marketing quota for flue-cured tobacco for any State for any marketing year shall not be reduced to a point less than 75 per centum of the production of flue-cured tobacco in such State for the year 1937.

"(b) The Secretary shall provide, through the local committees, for the allotment of the marketing quota for any State among the farms on which tobacco is produced, on the basis of the following: Past marketing of tobacco, making due allowance for drought, flood, hail, other abnormal weather conditions, plant bed, and other diseases; land, labor, and equipment available for the production of tobacco; crop-rotation practices; and the soil and other physical factors affecting the production of tobacco: *Provided,* That, except for farms on which for the first time in 5 years tobacco is produced to be marketed in the marketing year for which the quota is effective, the marketing quota for any farm shall not be less than the smaller of either (1) three thousand two hundred pounds, in the case of flue-cured tobacco, and two thousand four hundred pounds, in the case of other kinds of tobacco, or (2) the average tobacco production for the farm during the preceding three years, plus the average normal production of any tobacco acreage diverted under agricultural adjustment and conservation programs during such preceding three years.

"(c) The Secretary shall provide, through local committees, for the allotment of not in excess of 5 per centum of the national marketing quota (1) to farms in any State whether it has a State quota or not on which for the first time in five years tobacco is produced to be marketed in the year for which the quota is effective and (2) for further increase of allotments to small farms pursuant to the proviso in subsection (b) of this section on the basis of the following: Land, labor, and equipment available for the production of tobacco; crop-rotation practices; and the soil and other physical factors affecting the production of tobacco: *Provided,* That farm marketing quotas established pursuant to this subsection for farms on which tobacco is produced for the first time in five years shall not exceed 75 per centum of the farm marketing quotas established pursuant to subsection (b) of this section for farms which are similar with respect to the following: Land, labor, and equipment available for the production of tobacco, crop-rotation practices, and the soil and other physical factors affecting the production of tobacco.

"(d) Farm marketing quotas may be transferred only in such manner and subject to such conditions as the Secretary may prescribe by regulations.

"PENALTIES

"SEC. 314. The marketing of any tobacco in excess of the marketing quota for the farm on which the tobacco is produced, except the marketing of any such tobacco for nicotine or other by-product uses, shall be subject to a penalty of 50 per centum of the market price of such tobacco on the date of such marketing, or, if the following rates are higher, 3 cents per pound in the case of flue-cured, Maryland, or burley, and 2 cents per pound in the case of all other kinds of tobacco. Such penalty shall be paid by the person who acquires such tobacco from the producer but an amount equivalent to the penalty may be deducted by the buyer from the price paid to the producer in case such tobacco is marketed by sale; or, if the tobacco is marketed by the producer through a warehouseman or other agent, such penalty shall be paid by such warehouseman or agent who may deduct an amount equivalent to the penalty from the price paid to the producer: *Provided,* That in case any tobacco is marketed directly to any person outside the United States the penalty shall be paid and remitted by the producer.

"PART II—MARKETING QUOTAS—CORN

"LEGISLATIVE FINDING

"SEC. 321. Corn is a basic source of food for the Nation, and corn produced in the commercial corn-producing area moves almost wholly in interstate and foreign commerce in the form of corn, livestock, and livestock products.

"Abnormally excessive and abnormally deficient supplies of corn acutely and directly affect, burden, and obstruct interstate and foreign commerce in corn, livestock, and livestock products. When abnormally excessive supplies exist, transportation facilities in interstate and foreign commerce are overtaxed, and the handling

and processing facilities through which the flow of interstate and foreign commerce in corn, livestock, and livestock products is directed become acutely congested. Abnormally deficient supplies result in substantial decreases in livestock production and in an inadequate flow of livestock and livestock products in interstate and foreign commerce, with the consequence of unreasonably high prices to consumers.

"Violent fluctuations from year to year in the available supply of corn disrupt the balance between the supply of livestock and livestock products moving in interstate and foreign commerce and the supply of corn available for feeding. When available supplies of corn are excessive, corn prices are low and farmers overexpand livestock production in order to find outlets for corn. Such expansion, together with the relative scarcity and high price of corn, forces farmers to market abnormally excessive supplies of livestock in interstate commerce at sacrifice prices, endangering the financial stability of producers, and overtaxing handling and processing facilities through which the flow of interstate and foreign commerce in livestock and livestock products is directed. Such excessive marketings deplete livestock on farms, and livestock marketed in interstate and foreign commerce consequently becomes abnormally low, with resultant high prices to consumers and danger to the financial stability of persons engaged in transporting, handling, and processing livestock in interstate and foreign commerce. These high prices in turn result in another overexpansion of livestock production.

"Recurring violent fluctuations in the price of corn resulting from corresponding violent fluctuations in the supply of corn directly affect the movement of livestock in interstate commerce from the range cattle regions to the regions where livestock is fattened for market in interstate and foreign commerce, and also directly affect the movement in interstate commerce of corn marketed as corn which is transported from the regions where produced to the regions where livestock is fattened for market in interstate and foreign commerce.

"Substantially all the corn moving in interstate commerce, substantially all the corn fed to livestock transported in interstate commerce for fattening, and substantially all the corn fed to livestock marketed in interstate and foreign commerce, is produced in the commercial corn-producing area. Substantially all the corn produced in the commercial corn-producing area, with the exception of a comparatively small amount used for farm consumption, is either sold or transported in interstate commerce, or is fed to livestock transported in interstate commerce for feeding, or is fed to livestock marketed in interstate and foreign commerce. Almost all the corn produced outside the commercial corn-producing area is either consumed, or is fed to livestock which is consumed, in the State in which such corn is produced.

"The conditions affecting the production and marketing of corn and the livestock products of corn are such that, without Federal assistance, farmers, individually or in cooperation, cannot effectively prevent the recurrence of disparities between the supplies of livestock moving in interstate and foreign commerce and the supply of corn available for feeding, and provide for orderly marketing of corn in interstate and foreign commerce and livestock and livestock products in interstate and foreign commerce.

"The national public interest requires that the burdens on interstate and foreign commerce above described be removed by the exercise of Federal power. By reason of the administrative and physical impracticability of regulating the movement of livestock and livestock products in interstate and foreign commerce and the inadequacy of any such regulation to remove such burdens, such power can be feasibly exercised only by providing for the withholding from market of excessive and burdensome supplies of corn in times of excessive production, and providing a reserve supply of corn available for market in times of deficient production, in order that a stable and continuous flow of livestock and livestock products in interstate and foreign commerce may at all times be assured and maintained.

"FARM MARKETING QUOTAS

"SEC. 322. (a) Whenever in any calendar year the Secretary determines from available statistics of the Department, including the August production estimate officially published by the Division of Crop and Livestock Estimates of the Bureau of Agricultural Economics of the Department, that the total supply of corn as of October 1 will exceed the normal supply thereof by more than 10 per centum, marketing quotas shall be in effect in the commercial corn-producing area for the crop of corn grown in such area in such calendar year, and shall remain in effect until terminated in accordance with the provisions of this title.

"(b) The Secretary shall determine, on the basis of the estimated average yield of corn in such area for such crop, the acreage in such area which the Secretary determines would make available for the marketing year beginning October 1 a supply of corn (together with the estimated production of corn in the United States outside such area) equal to the normal supply. The percentage which the number of acres so determined is of the total number of acres of the acreage allotment under section 328 shall be proclaimed by the Secretary. Such percentage is referred to herein as the 'marketing percentage'.

"(c) The Secretary shall proclaim his determinations of facts under subsection (a) and his determination of the marketing percentage under subsection (b) not later than August 15.

"(d) Within twenty days after the date of the issuance of the proclamation provided for in subsection (c) of this section, the Secretary shall conduct a referendum, by secret ballot, of farmers who would be subject to such quotas to determine whether such farmers are in favor of or opposed to such quotas. If more than one-third of the farmers voting in the referendum oppose such quotas, the Secretary shall, prior to September 10, proclaim the result of the referendum and such quotas shall not become effective.

"(e) Whenever it shall appear from the September production estimates officially published by the Division of Crop and Livestock Estimates of the Bureau of Agricultural Economics of the Department, that the total supply of corn as of the beginning of the next suceeding marketing year will not exceed the normal supply by more than 10 per centum thereof, the Secretary shall proclaim such fact prior to September 20, if farm marketing quotas have been proclaimed for such marketing year. Thereupon such quotas shall not become effective.

"AMOUNT OF FARM MARKETING QUOTA

"SEC. 323. (a) The farm marketing quota for any farm with respect to any crop of corn shall be an amount of corn equal to the sum of—

"(1) The amount of corn used as silage; and

"(2) The actual production of the acreage of corn not used as silage less the amount required for farm consumption and less the storage amount applicable to the farm as ascertained under section 324.

"(b) No farm marketing quota with respect to any crop of corn shall be applicable to any farm on which the normal production of the acreage planted to corn is less than three hundred bushels.

"STORAGE AMOUNTS

"SEC. 324. (a) If the acreage of corn on the farm does not exceed the marketing percentage of the farm acreage allotment, there shall be no storage amount.

"(b) If the acreage of corn on the farm exceeds the marketing percentage of the farm acreage allotment, the storage amount shall be a number of bushels equal to the smallest of the following amounts—

"(1) The normal production of the acreage of corn on the farm in excess of the marketing percentage of the farm acreage allotment;

"(2) The amount by which the actual production of the acreage of corn on the farm exceeds the normal production of the marketing percentage of the farm acreage allotment; or

"(3) The amount of the actual production of the acreage of corn on the farm not used for silage.

"(c) If the storage amount ascertained under subsection (b) is less than 100 bushels, there shall be no storage amount.

"PENALTIES

"SEC. 325. (a) Any farmer who, while any farm marketing quota is in effect for his farm with respect to any crop of corn, markets corn produced on the farm in an amount which is in excess of the aggregate of the farm marketing quotas for the farm in effect at such time, shall be subject to a penalty of 15 cents per bushel of the excess so marketed. Liability for such penalty shall not accrue until the amount of corn stored under seal on such farm or in storage cribs rented by the farmer or under his control is less than the storage amount applicable to such crop plus the storage amounts, if any, applicable to other crops.

"(b) If there is stored under seal on the farm or in such cribs an amount of corn equal at least to the storage amount applicable to such crop plus such storage amounts applicable to such other crops, the farmer shall be presumed not to be violating the provisions of subsection (a). When the amount of corn stored under seal on the farm or in such cribs is less than the storage amount applicable to such crop plus such storage amounts applicable to such other crops, the farmer shall be presumed to have marketed, while farm marketing quotas were in effect, corn in violation of the provisions of subsection (a) to the extent that the amount of corn so stored is less than the aggregate of such storage amounts. In any action brought to enforce the collection of penalties provided for in this section, the farmer, to the extent that the amount of corn so stored is less than the aggregate of such storage amounts shall have the burden of proving that he did not market corn in violation of the provisions of subsection (a).

"(c) For the purposes of this Part, corn shall be deemed to be stored by the farmer under seal only if stored in such manner as to conform to the requirements of such regulations as the Secretary shall prescribe in order more effectively to administer this Part.

"ADJUSTMENT OF FARM MARKETING QUOTAS

"SEC. 326. (a) Whenever in any county or other area the Secretary finds that the actual production of corn plus the amount of corn stored under seal in such county or other area is less than the normal production of the marketing percentage of the farm acreage allotments in such county or other area, the Secretary shall terminate farm marketing quotas for corn in such county or other area.

"(b) Whenever, upon any farm, the actual production of the acreage of corn is less than the normal production of the marketing percentage of the farm acreage allotment, there may be marketed, without penalty, from such farm an amount of corn from the corn stored under seal pursuant to section 324 which, together with the actual production of the then current crop, will equal the normal production of the marketing percentage of the farm acreage allotment.

"(c) Whenever, in any marketing year, marketing quotas are not in effect with respect to the crop of corn produced in the calendar year in which such marketing year begins, all marketing quotas applicable to previous crops of corn shall be terminated.

"PROCLAMATIONS OF SUPPLIES AND COMMERCIAL CORN-PRODUCING AREA

"SEC. 327. Not later than September 1, the Secretary shall ascertain and proclaim the total supply, the normal supply, and the reserve supply level for such marketing year. Not later than February 1, the Secretary shall ascertain and proclaim the commercial corn-producing area. The ascertainment and proclamation of the commercial corn-producing area for 1938 shall be made not later than ten days after the date of the enactment of this Act.

"ACREAGE ALLOTMENT

"SEC. 328. The acreage allotment of corn for any calendar year shall be that acreage in the commercial corn-producing area which, on the basis of the average yield for corn in such area during the ten calendar years immediately preceding such calendar year will produce an amount of corn in such area which the Secretary determines will, together with corn produced in the United States outside the commercial corn-producing area, make available a supply for the marketing year beginning in such calendar year, equal to the reserve supply level. The Secretary shall proclaim such acreage allotment not later than February 1 of the calendar year for which such acreage allotment was determined. The proclamation of the acreage allotment for 1938 shall be made as soon as practicable after the date of the enactment of this Act.

"APPORTIONMENT OF ACREAGE ALLOTMENT

"SEC. 329. (a) The acreage allotment for corn shall be apportioned by the Secretary among the counties in the commercial corn-producing area on the basis of the acreage seeded for the production of corn during the ten calendar years immediately preceding the calendar year in which the apportionment is determined (plus, in applicable years, the acreage diverted under previous agricultural adjustment and conservation programs), with adjustments for abnormal weather conditions and for trends in acreage during such period and for the promotion of soil-conservation practices: *Provided*, That any downward adjustment for the promotion of soil-conservation practices shall not exceed 2 per centum of the total acreage allotment that would otherwise be made to such county.

"(b) The acreage allotment to the county for corn shall be apportioned by the Secretary, through the local committees, among the farms within the county on the basis of tillable acreage, crop-rotation practices, type of soil, and topography.

"PART III—MARKETING QUOTAS—WHEAT

"LEGISLATIVE FINDINGS

"SEC. 331. Wheat is a basic source of food for the Nation, is produced throughout the United States by more than a million farmers, is sold on the country-wide market and, as wheat or flour, flows almost entirely through instrumentalities of interstate and foreign commerce from producers to consumers.

"Abnormally excessive and abnormally deficient supplies of wheat on the country-wide market acutely and directly affect, burden, and obstruct interstate and foreign commerce. Abnormally excessive supplies overtax the facilities of interstate and foreign transportation, congest terminal markets and milling centers in the flow of wheat from producers to consumers, depress the price of wheat in interstate and foreign commerce, and otherwise disrupt the orderly marketing of such commodity in such commerce. Abnormally deficient supplies result in an inadequate flow of wheat and its products in interstate and foreign commerce with consequent injurious effects to the instrumentalities of such commerce and with excessive increases in the prices of wheat and its products in interstate and foreign commerce.

"It is in the interest of the general welfare that interstate and foreign commerce in wheat and its products be protected from such burdensome surpluses and distressing shortages, and that a supply of wheat be maintained which is adequate to meet domestic consumption and export requirements in years of drought, flood, and other adverse conditions as well as in years of plenty, and that the soil resources of the Nation be not wasted in the production of such burdensome surpluses. Such surpluses result in disastrously low prices of wheat and other grains to wheat producers, destroy the purchasing power of grain producers for industrial products, and reduce the value of the agricultural assets supporting the national credit structure. Such shortages of wheat result in unreasonably high prices of flour and bread to consumers and loss of market outlets by wheat producers.

"The conditions affecting the production and marketing of wheat are such that, without Federal assistance, farmers, individually or in cooperation, cannot effectively prevent the recurrence of such surpluses and shortages and the burdens on interstate and foreign commerce resulting therefrom, maintain normal supplies of wheat, or provide for the orderly marketing thereof in interstate and foreign commerce.

"The provisions of this Part affording a cooperative plan to wheat producers are necessary in order to minimize recurring surpluses and shortages of wheat in interstate and foreign commerce, to provide for the maintenance of adequate reserve supplies thereof, and to provide for an adequate flow of wheat and its products in interstate and foreign commerce. The provisions hereof for regulation of marketings by producers of wheat whenever an abnormally excessive supply of such commodity exists are necessary in order to maintain an orderly flow of wheat in interstate and foreign commerce under such conditions.

"PROCLAMATIONS OF SUPPLIES AND ALLOTMENTS

"SEC. 332. Not later than July 15 of each marketing year for wheat, the Secretary shall ascertain and proclaim the total supply and the normal supply of wheat for such marketing year, and the national acreage allotment for the next crop of wheat.

"NATIONAL ACREAGE ALLOTMENT

"SEC. 333. The national acreage allotment for any crop of wheat shall be that acreage which the Secretary determines will, on the basis of the national average yield for wheat, produce an amount thereof adequate, together with the estimated carry-over at the beginning of the marketing year for such crop, to make available a supply for such marketing year equal to a normal year's domestic consumption and exports plus 30 per centum thereof. The national acreage allotment for wheat for 1938 shall be sixty-two million five hundred thousand acres.

"APPORTIONMENT OF NATIONAL ACREAGE ALLOTMENT

"SEC. 334. (a) The national acreage allotment for wheat shall be apportioned by the Secretary among the several States on the basis of the acreage seeded for the production of wheat during the ten calendar years immediately preceding the calendar year in which the national acreage allotment is determined (plus, in applicable years, the acreage diverted under previous agricultural adjustment and conservation programs), with adjustments for abnormal weather conditions and for trends in acreage during such period.

"(b) The State acreage allotment for wheat shall be apportioned by the Secretary among the counties in the State, on the basis of the acreage seeded for the production of wheat during the ten calendar years immediately preceding the calendar year in which the national acreage allotment is determined (plus, in applicable years, the net acreage diverted under previous agricultural adjustment and conservation programs), with adjustments for abnormal weather conditions and trends in acreage during such period and for the promotion of soil-conservation practices.

"(c) The allotment to the county shall be apportioned by the Secretary through the local committees, among the farms within the county on the basis of tillable acres, crop-rotation practices, type of soil, and topography. Not more than 3 per centum of such county allotment shall be apportioned to farms on which wheat has not been planted during any of the three marketing years immediately preceding the marketing year in which the allotment is made.

"MARKETING QUOTAS

"SEC. 335. (a) Whenever it shall appear that the total supply of wheat as of the beginning of any marketing year will exceed a normal year's domestic consumption and exports by more than 35 per centum, the Secretary shall, not later than the May 15 prior to the beginning of such marketing year, proclaim such fact and, during the marketing year beginning July 1 and continuing throughout such marketing year, a national marketing quota shall be in effect with respect to the marketing of wheat. The Secretary shall ascertain and specify in the proclamation the amount of the national marketing quota in terms of a total quantity of wheat and also in terms of a marketing percentage of the national acreage allotment for the current crop which he determines will, on the basis of the national average yield of wheat, produce the amount of the national marketing quota. Marketing quotas for any marketing year shall be in effect with respect to wheat harvested in the calendar year in which such marketing year begins notwithstanding that the wheat is marketed prior to the beginning of such marketing year. No marketing quota with respect to the marketing of wheat shall be in effect for the marketing year beginning July 1, 1938, unless prior to the date of the proclamation of the Secretary, provision has been made by law for the payment, in whole or in part, in 1938 of parity payments with respect to wheat.

"(b) The amount of the national marketing quota for wheat shall be equal to a normal year's domestic consumption and exports plus 30 per centum thereof, less the sum of (1) the estimated carry-over of wheat as of the beginning of the marketing year with respect to which the quota is proclaimed and (2) the estimated amount of wheat which will be used on farms as seed or livestock feed during the marketing year.

"(c) The farm marketing quota for any farm for any marketing year shall be a number of bushels of wheat equal to the sum of—

"(1) A number of bushels equal to the normal production of a number of acres determined by applying the marketing percentage specified in the quota proclamation to the farm acreage allotment for the current crop; and

"(2) A number of bushels of wheat equal to the amount, or part thereof, of wheat from any previous crop which the farmer has on hand which, had such amount, or part thereof, been marketed during the preceding marketing year in addition to the wheat actually marketed during such preceding marketing year, could have been marketed without penalty.

In no event shall the farm marketing quota for any farm be less than the normal production of half the farm acreage allotment for the farm.

"(d) No farm marketing quota with respect to wheat shall be applicable in any marketing year to any farm on which the normal production of the acreage planted to wheat of the current crop is less than one hundred bushels.

"REFERENDUM

"SEC. 336. Between the date of the issuance of any proclamation of any national marketing quota for wheat and June 10, the Secretary shall conduct a referendum, by secret ballot, of farmers who

will be subject to the quota specified therein to determine whether such farmers favor or oppose such quota. If more than one-third of the farmers voting in the referendum oppose such quota, the Secretary shall, prior to the effective date of such quota, by proclamation suspend the operation of the national marketing quotas with respect to wheat.

"ADJUSTMENT AND SUSPENSION OF QUOTAS

"SEC. 337. (a) If the total supply as proclaimed by the Secretary within forty-five days after the beginning of the marketing year is less than that specified in the proclamation by the Secretary under section 335 (a), then the national marketing quota specified in the proclamation under such section shall be increased accordingly.

"(b) Whenever it shall appear from either the July or the August production estimates, officially published by the Division of Crop and Livestock Estimates of the Bureau of Agricultural Economics of the Department, that the total supply of wheat as of the beginning of the marketing year was less than a normal year's domestic consumption and exports plus 30 per centum thereof, the Secretary shall proclaim such fact prior to July 20, or August 20, as the case may be, if farm marketing quotas have been announced with respect to the crop grown in such calendar year. Thereupon such quotas shall become ineffective.

"TRANSFER OF QUOTAS

"SEC. 338. Farm marketing quotas for wheat shall not be transferable, but, in accordance with regulations prescribed by the Secretary for such purpose, any farm marketing quota in excess of the supply of wheat for such farm for any marketing year may be allocated to other farms on which the acreage allotment has not been exceeded.

"PENALTIES

"SEC. 339. Any farmer who, while farm marketing quotas are in effect, markets wheat in excess of the farm marketing quota for the farm on which such wheat was produced, shall be subject to a penalty of 15 cents per bushel of the excess so marketed.

"PART IV—MARKETING QUOTAS—COTTON

"LEGISLATIVE FINDINGS

"SEC. 341. American cotton is a basic source of clothing and industrial products used by every person in the United States and by substantial numbers of people in foreign countries. American cotton is sold on a world-wide market and moves from the places of production almost entirely in interstate and foreign commerce to processing establishments located throughout the world at places outside the State where the cotton is produced.

"Fluctuations in supplies of cotton and the marketing of excessive supplies of cotton in interstate and foreign commerce disrupt the orderly marketing of cotton in such commerce with consequent injury to and destruction of such commerce. Excessive supplies of cotton directly and materially affect the volume of cotton moving in interstate and foreign commerce and cause disparity in prices of cotton and industrial products moving in interstate and foreign commerce with consequent diminution of the volume of such commerce in industrial products.

"The conditions affecting the production and marketing of cotton are such that, without Federal assistance, farmers, individually or in cooperation, cannot effectively prevent the recurrence of excessive supplies of cotton and fluctuations in supplies, cannot prevent indiscriminate dumping of excessive supplies on the Nation-wide and foreign markets, cannot maintain normal carry-overs of cotton, and cannot provide for the orderly marketing of cotton in interstate and foreign commerce.

"It is in the interest of the general welfare that interstate and foreign commerce in cotton be protected from the burdens caused by the marketing of excessive supplies of cotton in such commerce, that a supply of cotton be maintained which is adequate to meet domestic consumption and export requirements in years of drought, flood, and other adverse conditions as well as in years of plenty, and that the soil resources of the Nation be not wasted in the production of excessive supplies of cotton.

"The provisions of this Part affording a cooperative plan to cotton producers are necessary and appropriate to prevent the burdens on interstate and foreign commerce caused by the marketing in such commerce of excessive supplies, and to promote, foster, and maintain an orderly flow of an adequate supply of cotton in such commerce.

"FINDING AND PROCLAMATION OF SUPPLIES, AND SO FORTH

"SEC. 342. Not later than November 15 of each year the Secretary shall find and proclaim (a) the total supply, the normal supply, and the carry-over of cotton as of August 1 of such year, (b) the probable domestic consumption of American cotton during the marketing year commencing August 1 of such year, (c) the probable exports of American cotton during such marketing year, and (d) the estimated carry-over of cotton as of the next succeeding August 1. For the marketing year 1937–1938 the Secretary shall make all the findings and proclamations provided for in this section not later than ten days after the date of the enactment of this Act.

"AMOUNT OF NATIONAL ALLOTMENT

"SEC. 343. (a) Not later than November 15 of each year the Secretary shall find and proclaim the amount of the national allotment of cotton for the succeeding calendar year in terms of standard bales of five hundred pounds gross weight. The national allotment shall be the number of bales of cotton adequate, together with the estimated carry-over as of August 1 of such succeeding calendar year, to make available a supply of cotton, for the marketing year beginning on such August 1, equal to the normal supply. The finding and proclamation of the national allotment for the calendar year 1938 shall be made not later than ten days after the date of the enactment of this Act.

"(b) If the national allotment for 1938 or 1939 is determined to be less than ten million bales, the national allotment for such year shall be ten million bales for such year, as the case may be. If the national allotment for 1938 or 1939 is determined to be more than eleven million five hundred thousand bales, it shall be eleven million five hundred thousand bales for such year, as the case may be.

"(c) Notwithstanding the foregoing provisions of this section, the national allotment for 1938 and for 1939 shall be increased by a number of bales equal to the production of the acres allotted under section 344 (e) for such year.

"APPORTIONMENT OF NATIONAL ALLOTMENT

"SEC. 344. (a) The national allotment for cotton for each year (excluding that portion of the national allotment provided for in section 343 (c)) shall be apportioned by the Secretary among the several States on the basis of the average, for the five years preceding the year in which the national allotment is determined, of the normal production of cotton in each State. The normal production of a State for a year shall be (1) the quantity produced therein plus (2) the normal yield of the acres diverted in each county in the State under the previous agricultural adjustment or conservation programs. The normal yield of the acres diverted in any county in any year shall be the average yield per acre of the planted acres in such county in such year times the number of acres diverted in such county in such year.

"(b) The Secretary shall ascertain, on the basis of the average yield per acre in each State, a number of acres in such State which will produce a number of bales equal to the allotment made to the State under subsection (a). Such number of acres is referred to as the 'State acreage allotment.' The average yield per acre for any State shall be determined on the basis of the average of the normal production for the State for the years used in computing the allotment to the State, and the average, for the same period, of the acres planted and the acres diverted in the State.

"(c) (1) The State acreage allotment (less the amount required for apportionment under paragraph (2)) shall be apportioned annually by the Secretary to the counties in the State. The apportionment to the counties shall be made on the basis of the acreage planted to cotton during the five calendar years immediately preceding the calendar year in which the State allotment is apportioned (plus, in applicable years, the acreage diverted under previous agricultural adjustment and conservation programs), with adjustments for abnormal weather conditions and trends in acreage during such five-year period.

"(2) Not more than 2 per centum of the State acreage allotment shall be apportioned to farms in such State which were not used for cotton production during any of the three calendar years immediately preceding the year for which the allotment is made, on the basis of land, labor, and equipment available for the production of cotton; crop rotation practices; and the soil and other physical facilities affecting the production of cotton.

"(d) The allotment apportioned to the county under subsection (c) (1), plus any amount allotted to the county under subsection (e), shall be apportioned by the Secretary, through the local committees, among the farms within the county on the following basis:

"(1) To each farm on which cotton has been planted during any of the previous three years there shall be allotted the smaller of the following—

"(A) Five acres; or

"(B) The highest number of acres planted to cotton (plus the acres diverted from the production of cotton under the agricultural adjustment or conservation programs) in any year of such three-year period;

"(2) Not more than 3 per centum of the amount remaining, after making the allotments provided for under paragraph (1), shall be allotted, upon such basis as the Secretary deems fair and equitable, to farms (other than farms to which an allotment has been made under paragraph (1) (B)) to which an allotment of not exceeding fifteen acres may be made under other provisions of this subsection; and

"(3) The remainder of the total amount available to the county shall be allotted to farms on which cotton has been planted during any of the previous three years (except farms to which an allotment has been made under paragraph (1) (B)). The allotment to each farm under this paragraph, together with the amount of the allotment to such farm under paragraph (1) (A), shall be a prescribed percentage (which percentage shall be the same for all such farms in the county or administrative area) of the acreage, during the preceding year, on the farm which is tilled annually or in regular rotation, excluding from such acreage the acres devoted to the production of wheat, tobacco, or rice for market or for feeding to livestock for market: *Provided, however,* That if a farm would be allotted under this paragraph an acreage, together with the amount of the allotment to such farm under paragraph (1) (A), in excess of the largest acreage planted to cotton plus the acreage diverted from the production of cotton under the agricultural adjustment or conservation program during any of the preceding three years, the acreage allotment for

such farm shall not exceed such largest acreage so planted and diverted in any such year.

"(e) For 1938 and 1939, the Secretary shall allot to the several counties, to which an apportionment is made under subsection (b), a number of acres required to provide a total acreage for allotment under this section to such counties of not less than 60 per centum of the sum of (1) the acreage planted to cotton in such counties in 1937, plus (2) the acreage therein diverted from cotton production in 1937 under the agricultural adjustment and conservation program. The acreage so diverted shall be estimated in case data are not available at the time of making such allotment.

"(f) In apportioning the county allotment among the farms within the county, the Secretary, through the local committees, shall take into consideration different conditions within separate administrative areas within a county if any exist, including types, kinds, and productivity of the soil so as to prevent discrimination among the administrative areas of the county.

"MARKETING QUOTAS

"SEC. 345. Whenever the Secretary determines that the total supply of cotton for any marketing year exceeds by more than 7 per centum the normal supply thereof for such marketing year, the Secretary shall proclaim such fact not later than November 15 of such marketing year (or, in case of the marketing year 1937–1938, within ten days after the date of enactment of this Act), and marketing quotas shall be in effect during the next succeeding marketing year with respect to the marketing of cotton. Cotton produced in the calendar year in which such marketing year begins shall be subject to the quotas in effect for such marketing year notwithstanding that it may be marketed prior to August 1.

"AMOUNT OF FARM MARKETING QUOTAS

"SEC. 346. (a) The farm marketing quota for cotton for any farm for any marketing year shall be a number of bales of cotton equal to the sum of—

"(1) A number of bales equal to the normal production or the actual production, whichever is the greater, of the farm acreage allotment, and

"(2) A number of bales equal to the amount, or part thereof, of cotton from any previous crop which the farmer has on hand, which, had such amount, or part thereof, been marketed during the preceding marketing year in addition to the cotton actually marketed during such preceding marketing year, could have been marketed without penalty.

"(b) The penalties provided for in section 348 shall not apply to the marketing of cotton produced on any farm for which a farm acreage allotment has been made for the current crop if the production of the current crop does not exceed one thousand pounds of lint cotton.

"REFERENDUM

"SEC. 347. Not later than December 15 of any calendar year in which a proclamation of farm marketing quotas pursuant to the provisions of this Part has been made, the Secretary shall conduct a referendum, by secret ballot, of farmers who were engaged in production of the crop harvested prior to the holding of the referendum to determine whether they favor or oppose such quotas. If more than one-third of the farmers voting in the referendum oppose such quotas, the Secretary shall, prior to the end of such calendar year, proclaim the result of the referendum, and upon such proclamation the quotas shall become ineffective. If a proclamation under section 345 is made with respect to the 1938 crop, the referendum with respect to such crop shall be held not later than thirty days after the date of the enactment of this Act and the result thereof shall be proclaimed not later than forty-five days after such date.

"PENALTIES

"SEC. 348. Any farmer who, while farm marketing quotas are in effect, markets cotton in excess of the farm marketing quota for the marketing year for the farm on which such cotton was produced, shall be subject to the following penalties with respect to the excess so marketed: 2 cents per pound if marketed during the first marketing year when farm marketing quotas are in effect; and 3 cents per pound if marketed during any subsequent year, except that the penalty shall be 2 cents per pound if cotton of the crop subject to penalty in the first year is marketed subject to penalty in any subsequent year.

"INELIGIBILITY FOR PAYMENTS

"SEC. 349. (a) Any person who knowingly plants cotton on his farm in any year on acreage in excess of the farm acreage allotment for cotton for the farm for such year under section 344 shall not be eligible for any payment for such year under the Soil Conservation and Domestic Allotment Act, as amended.

"(b) All persons applying for any payment of money under the Soil Conservation and Domestic Allotment Act, as amended, shall file with the application a statement verified by affidavit that the applicant has not knowingly planted, during the current year, cotton on land on his farm in excess of the acreage allotted to the farm under section 344 for such year. Any person who knowingly swears falsely in any statement required under this subsection shall be guilty of perjury.

"LONG STAPLE COTTON

"SEC. 350. The provisions of this Part shall not apply to cotton the staple of which is 1⅛ inches or more in length.

"PART V—MARKETING QUOTAS—RICE

"LEGISLATIVE FINDING

"SEC. 351. (a) The marketing of rice constitutes one of the great basic industries of the United States with ramifying activities which directly affect interstate and foreign commerce at every point, and stable conditions therein are necessary to the general welfare. Rice produced for market is sold on a Nation-wide market, and, with its products, moves almost wholly in interstate and foreign commerce from the producer to the ultimate consumer. The farmers producing such commodity are subject in their operations to uncontrollable natural causes, in many cases such farmers carry on their farming operations on borrowed money or leased lands, and are not so situated as to be able to organize effectively, as can labor and industry, through unions and corporations enjoying Government sanction and protection for joint economic action. For these reasons, among others, the farmers are unable without Federal assistance to control effectively the orderly marketing of such commodity with the result that abnormally excessive supplies thereof are produced and dumped indiscriminately on the Nation-wide market.

"(b) The disorderly marketing of such abnormally excessive supplies affects, burdens, and obstructs interstate and foreign commerce by (1) materially affecting the volume of such commodity marketed therein, (2) disrupting the orderly marketing of such commodity therein, (3) reducing the prices for such commodity with consequent injury and destruction of such commerce in such commodity, and (4) causing a disparity between the prices for such commodity in interstate and foreign commerce and industrial products therein, with a consequent diminution of the volume of interstate and foreign commerce in industrial products.

"(c) Whenever an abnormally excessive supply of rice exists, the marketing of such commodity by the producers thereof directly and substantially affects interstate and foreign commerce in such commodity and its products, and the operation of the provisions of this Part becomes necessary and appropriate in order to promote, foster, and maintain an orderly flow of such supply in interstate and foreign commerce.

"NATIONAL ACREAGE ALLOTMENT

"SEC. 352. The national acreage allotment of rice for any calendar year shall be that acreage which the Secretary determines will, on the basis of the national average yield of rice for the five calendar years immediately preceding the calendar year for which such national average yield is determined, produce an amount of rice adequate, together with the estimated carry-over from the marketing year ending in such calendar year, to make available a supply for the marketing year commencing in such calendar year not less than the normal supply. Such national acreage allotment shall be proclaimed not later than December 31 of each year.

"APPORTIONMENT OF NATIONAL ACREAGE ALLOTMENT

"SEC. 353. (a) The national acreage allotment of rice for each calendar year shall be apportioned by the Secretary among the several States in which rice is produced in proportion to the average number of acres of rice in each State during the five-year period immediately preceding the calendar year for which such national acreage allotment of rice is determined (plus, in applicable years, the acreage diverted under previous agricultural adjustment and conservation programs) with adjustments for trends in acreage during the applicable period.

"(b) Not less than 97 per centum of the acreage allotted to any State shall be apportioned annually by the Secretary through local and State committees of farmers among the persons producing rice within such State on the basis of past production of rice; land, labor, and available equipment for the production of rice; crop-rotation practices, soil fertility, and other physical factors affecting the production of rice: *Provided*, That not exceeding 3 per centum of the acreage allotted to each State shall be apportioned annually by the Secretary through local and State committees of farmers among persons who for the first time in the past five years are producing rice on the basis of the applicable standards of apportionment set forth in this subsection: *Provided further*, That a person producing rice for the first time in five years shall not be allotted an acreage in excess of 75 per centum of the allotment that would be made to him if he were not producing rice for the first time in such five years.

"DOMESTIC ALLOTMENT OF RICE

"SEC. 354. (a) Not later than December 31 of each year the Secretary shall ascertain from the latest available statistics of the Department and shall proclaim the total amount of rice which will be needed during the next succeeding marketing year to meet the requirements of consumers in the United States. Such amount is hereinafter referred to as the 'domestic allotment of rice.'

"(b) The domestic allotment of rice for each marketing year shall be apportioned by the Secretary among the several States in which rice is produced in proportion to the average amount of rice produced in each State during the five-year period including the calendar year in which such domestic allotment is announced (plus, in applicable years, the normal production of any acreage diverted under previous agricultural adjustment and conservation

programs), with adjustments for abnormal weather conditions and trends in acreage during the applicable period.

"(c) The Secretary shall provide, through local and State committees of farmers, for the allotment of each State apportionment among persons producing rice in such State. The apportionment of the domestic allotment of rice among persons producing rice in each State shall be on the basis of the aggregate normal yields of the acreage allotments established with respect to such persons.

"MARKETING QUOTAS

"SEC. 355. (a) If at the time of any proclamation made under the provisions of section 354 (a) it shall appear from the latest available statistics of the Department that the total supply of rice exceeds the normal supply thereof for the current marketing year by more than 10 per centum of such normal supply, the Secretary shall also proclaim that, beginning on the first day of the marketing year next following and continuing throughout such year a national marketing quota shall be in effect for marketings of rice by producers: *Provided*, That no marketing quota shall be in effect for the marketing year commencing August 1, 1938. The Secretary shall also ascertain and specify in such proclamation the amount of the national marketing quota in terms of the total quantity thereof which may be marketed by producers which shall be that amount of rice which the Secretary determines will make available during such marketing year a normal supply.

"(b) Within thirty days after the date of the issuance of the proclamation specified in subsection (a) of this section, the Secretary shall conduct a referendum, by secret ballot, of producers who would be subject to the national marketing quota for rice to determine whether such producers are in favor of or opposed to such quota. If more than one-third of the producers voting in the referendum oppose such quota, the Secretary shall, prior to the 15th day of February, proclaim the result of the referendum, and such quota shall not become effective.

"(c) The national marketing quota shall be apportioned among States and persons producing rice in each State, including new producers, in the manner and upon the basis set forth in section 354 for the apportionment of the domestic allotment of rice.

"(d) Marketing quotas may be transferred only in such manner and subject to such conditions as the Secretary may prescribe by regulations.

"PENALTIES

"SEC. 356. Any producer who markets rice in excess of his marketing quota shall be subject to a penalty of one-quarter of 1 cent per pound of the excess so marketed.

"SUBTITLE C.—ADMINISTRATIVE PROVISIONS

"PART I—PUBLICATION AND REVIEW OF QUOTAS

"APPLICATION OF PART

"SEC. 361. This Part shall apply to the publication and review of farm marketing quotas established for tobacco, corn, wheat, cotton, and rice, established under subtitle B.

"PUBLICATION AND NOTICE OF QUOTAS

"SEC. 362. All acreage allotments, and the farming quotas established for farms in a county or other local administrative area shall, in accordance with regulations of the Secretary, be made and kept freely available for public inspection in such county or other local administrative area. An additional copy of this information shall be kept available in the office of the county agricultural extension agent or with the chairman of the local committee. Notice of the farm marketing quota of his farm shall be mailed to the farmer.

"REVIEW BY REVIEW COMMITTEE

"SEC. 363. Any farmer who is dissatisfied with his farm marketing quota may, within fifteen days after mailing to him of notice as provided in section 362, have such quota reviewed by a local review committee composed of three farmers appointed by the Secretary. Such committee shall not include any member of the local committee which determined the farm acreage allotment, the normal yield, of the farm marketing quota for such farm. Unless application for review is made within such period, the original determination of the farm marketing quota shall be final.

"REVIEW COMMITTEE

"SEC. 364. The members of the review committee shall receive as compensation for their services the same per diem as that received by the members of the committee utilized for the purposes of the Soil Conservation and Domestic Allotment Act, as amended. The members of the review committee shall not be entitled to receive compensation for more than thirty days in any one year.

"INSTITUTION OF PROCEEDINGS

"SEC. 365. If the farmer is dissatisfied with the determination of the review committee, he may, within fifteen days after a notice of such determination is mailed to him by registered mail, file a bill in equity against the review committee as defendant in the United States district court, or institute proceedings for review in any court of record of the State having general jurisdiction, sitting in the county or the district in which his farm is located, for the purpose of obtaining a review of such determination. Bond shall be given in an amount and with surety satisfactory to the court to secure the United States for the costs of the proceeding. The bill of complaint in such proceeding may be served by delivering a copy thereof to any one of the members of the review committee. Thereupon the review committee shall certify and file in the court a transcript of the record upon which the determination complained of was made, together with its findings of fact.

"COURT REVIEW

"SEC. 366. The review by the court shall be limited to questions of law, and the findings of fact by the review committee, if supported by evidence, shall be conclusive. If application is made to the court for leave to adduce additional evidence, and it is shown to the satisfaction of the court that such additional evidence is material and that there were reasonable grounds for failure to adduce such evidence in the hearing before the review committee, the court may direct such additional evidence to be taken before the review committee in such manner and upon such terms and conditions as to the court may seem proper. The review committee may modify its findings of fact or its determination by reason of the additional evidence so taken, and it shall file with the court such modified findings or determination, which findings of fact shall be conclusive. At the earliest convenient time, the court, in term time or vacation, shall hear and determine the case upon the original record of the hearing before the review committee, and upon such record as supplemented if supplemented, by further hearing before the review committee pursuant to direction of the court. The court shall affirm the review committee's determination, or modified determination, if the court determines that the same is in accordance with law. If the court determines that such determination or modified determination is not in accordance with law, the court shall remand the proceeding to the review committee with direction either to make such determination as the court shall determine to be in accordance with law or to take such further proceedings as, in the court's opinion, the law requires.

"STAY OF PROCEEDINGS AND EXCLUSIVE JURISDICTION

"SEC. 367. The commencement of judicial proceedings under this Part shall not, unless specifically ordered by the court, operate as a stay of the review committee's determination. Notwithstanding any other provision of law, the jurisdiction conferred by this Part to review the legal validity of a determination made by a review committee pursuant to this Part shall be exclusive. No court of the United States or of any State shall have jurisdiction to pass upon the legal validity of any such determination except in a proceeding under this Part.

"NO EFFECT ON OTHER QUOTAS

"SEC. 368. Notwithstanding any increase of any farm marketing quota for any farm as a result of review of the determination thereof under this Part, the marketing quotas for other farms shall not be affected.

"PART II—ADJUSTMENT OF QUOTAS AND ENFORCEMENT

"GENERAL ADJUSTMENTS OF QUOTAS

"SEC. 371. (a) If at any time the Secretary has reason to believe that in the case of corn, wheat, cotton, rice, or tobacco the operation of farm marketing quotas in effect will cause the amount of such commodity which is free of marketing restrictions to be less than the normal supply for the marketing year for the commodity then current, he shall cause an immediate investigation to be made with respect thereto. In the course of such investigation due notice and opportunity for hearing shall be given to interested persons. If upon the basis of such investigation the Secretary finds the existence of such fact, he shall proclaim the same forthwith. He shall also in such proclamation specify such increase in, or termination of, existing quotas as he finds, on the basis of such investigation, is necessary to make the amount of such commodity which which is free of marketing restrictions equal the normal supply.

"(b) If the Secretary has reason to believe that, because of a national emergency or because of a material increase in export demand, any national marketing quota for corn, wheat, cotton, rice, or tobacco should be increased or terminated, he shall cause an immediate investigation to be made to determine whether the increase or termination is necessary in order to effectuate the declared policy of this Act or to meet such emergency or increase in export demand. If, on the basis of such investigation, the Secretary finds that such increase or termination is necessary, he shall immediately proclaim such finding (and if he finds an increase is necessary, the amount of the increase found by him to be necessary) and thereupon such quota shall be increased, or shall terminate, as the case may be.

"(c) In case any national marketing quota for any commodity is increased under this section, each farm marketing quota for the commodity shall be increased in the same ratio.

"(d) In the case of corn, whenever such proclamation specifies an increase in marketing quotas, the storage amounts applicable to corn shall be adjusted downward to the amount which would have been required to be stored if such increased marketing quotas had been in effect. Whenever in the case of corn, such proclamation provides for termination of marketing quotas, storage under seal shall no longer be required.

"PAYMENT AND COLLECTION OF PENALTIES

"SEC. 372. (a) The penalty with respect to the marketing, by sale, of wheat, cotton, or rice, if the sale is to any person within the United States, shall be collected by the buyer.

"(b) All penalties provided for in Subtitle B shall be collected and paid in such manner, at such times, and under such conditions as the Secretary may by regulations prescribe. Such penalties shall be remitted to the Secretary by the person liable for the penalty,

except that if any other person is liable for the collection of the penalty, such other person shall remit the penalty. The amount of such penalties shall be covered into the general fund of the Treasury of the United States.

"REPORTS AND RECORDS

"SEC. 373. (a) This subsection shall apply to warehousemen, processors, and common carriers of corn, wheat, cotton, rice, or tobacco, and all ginners of cotton, all persons engaged in the business of purchasing corn, wheat, cotton, rice, or tobacco from producers, and all persons engaged in the business of redrying, prizing, or stemming tobacco for producers. Any such person shall, from time to time on request of the Secretary, report to the Secretary such information and keep such records as the Secretary finds to be necessary to enable him to carry out the provisions of this title. Such information shall be reported and such records shall be kept in accordance with forms which the Secretary shall prescribe. For the purpose of ascertaining the correctness of any report made or record kept, or of obtaining information required to be furnished in any report, but not so furnished, the Secretary is hereby authorized to examine such books, papers, records, accounts, correspondence, contracts, documents, and memoranda as he has reason to believe are relevant and are within the control of such person. Any such person failing to make any report or keep any record as required by this subsection or making any false report or record shall be deemed guilty of a misdemeanor and upon conviction thereof shall be subject to a fine of not more than $500.

"(b) Farmers engaged in the production of corn, wheat, cotton, rice, or tobacco for market shall furnish such proof of their acreage, yield, storage, and marketing of the commodity in the form of records, marketing cards, reports, storage under seal, or otherwise as the Secretary may prescribe as necessary for the administration of this title.

"(c) All data reported to or acquired by the Secretary pursuant to this section shall be kept confidential by all officers and employees of the Department, and only such data so reported or acquired as the Secretary deems relevant shall be disclosed by them, and then only in a suit or administrative hearing under this title.

"MEASUREMENT OF FARMS AND REPORT OF PLANTINGS

"SEC. 374. The Secretary shall provide, through the county and local committees, for measuring farms on which corn, wheat, cotton, or rice is produced and for ascertaining whether the acreage planted for any year to any such commodity is in excess of the farm acreage allotment for such commodity for the farm under this title. If in the case of any farm the acreage planted to any such commodity on the farm is in excess of the farm acreage allotment for such commodity for the farm, the committee shall file with the State committee a written report stating the total acreage on the farm in cultivation and the acreage planted to such commodity.

"REGULATIONS

"SEC. 375. (a) The Secretary shall provide by regulations for the identification, wherever necessary, of corn, wheat, cotton, rice, or tobacco so as to afford aid in discovering and identifying such amounts of the commodities as are subject to and such amounts thereof as are not subject to marketing restrictions in effect under this title.

"(b) The Secretary shall prescribe such regulations as are necessary for the enforcement of this title.

"COURT JURISDICTION

"SEC. 376. The several district courts of the United States are hereby vested with jurisdiction specifically to enforce the provisions of this title. If and when the Secretary shall so request, it shall be the duty of the several district attorneys in their respective districts, under the direction of the Attorney General, to institute proceedings to collect the penalties provided in this title. The remedies and penalties provided for herein shall be in addition to, and not exclusive of, any of the remedies or penalties under existing law.

"SUBTITLE D—MISCELLANEOUS PROVISIONS AND APPROPRIATIONS

"PART I—MISCELLANEOUS

"COTTON PRICE ADJUSTMENT PAYMENTS

"SEC. 381. (a) For the purposes of the provisions (relating to cotton price adjustment payments with respect to the 1937 cotton crop) of the Third Deficiency Appropriation Act, fiscal year 1937, a producer shall be deemed to have complied with the provisions of the 1938 agricultural adjustment program formulated under the legislation contemplated by Senate Joint Resolution Numbered 207, Seventy-fifth Congress, if his acreage planted to cotton in 1938 does not exceed his farm acreage allotment for 1938 under the Soil Conservation and Domestic Allotment Act, as amended (including the amendments made by this Act), or under section 344 of this Act, whichever is the lesser. For the purposes of this subsection a producer shall not be deemed to have exceeded his farm acreage allotment unless such producer knowingly exceeded his farm acreage allotment. Such compliance shall not be required in any case where the producer is not engaged in cotton production in 1938. In cases where in 1937 a total or partial crop failure resulted from hail, drought, flood, or boll-weevil infestation, if the producer is otherwise eligible for payment, payment shall be made at the rate of 3 cents per pound on the same percentage of the producer's normal base production established by the Secretary as in the case of other producers. For the purpose of such provisions of the Third Deficiency Appropriation Act, fiscal year 1937, cotton not sold prior to July 1, 1938, shall be held and considered to have been sold on June 30, 1938, and all applications for price adjustment payments shall be filed with the Secretary not later than July 15, 1938. Such payments shall be made at the earliest practicable time. Application for payment may be made by the 1937 operator of a farm on behalf of all persons engaged in cotton production on the farm in 1937 and need be signed only by such operator, but payment shall be made directly to each of the persons entitled thereto. In case any person who is entitled to payment hereunder dies, becomes incompetent, or disappears before receiving such payment or is succeeded by another who renders or completes the required performance, payment shall, without regard to any other provisions of law, be made as the Secretary may determine to be fair and reasonable in all the circumstances and provide by regulations.

"(b) Any producer for whom a loan has been made or arranged for by the Commodity Credit Corporation on cotton of his 1937 crop and who has complied with all the provisions of the loan agreement except section 8 thereof, may, at any time before July 1, 1938, transfer his right, title, and interest in and to such cotton to the Corporation; and the Corporation is authorized and directed to accept such right, title, and interest in and to such cotton and to assume all obligations of the producer with respect to the loan on such cotton, including accrued interest and accrued carrying charges to the date of such transfer. The Corporation shall notify the Secretary of Agriculture of each such transfer, and upon receipt of such notice, the Secretary shall as soon as compliance is shown, or a national marketing quota for cotton is put into effect, forthwith pay to such producer a sum equal to 2 cents per pound of such cotton, and the amount so paid shall be deducted from any price adjustment payment to which such producer is entitled.

"(c) The Commodity Credit Corporation is authorized on behalf of the United States to sell any cotton of the 1937 crop so acquired by it, but no such cotton or any other cotton held on behalf of the United States shall be sold unless the proceeds of such sale are at least sufficient to reimburse the United States for all amounts (including any price-adjustment payment) paid out by any of its agencies with respect to the cotton so sold. After July 31, 1939, the Commodity Credit Corporation shall not sell more than three hundred thousand bales of cotton in any calendar month, or more than one million five hundred thousand bales in any calendar year. The proceeds derived from the sale of any such cotton shall be used for the purpose of discharging the obligations assumed by the Commodity Credit Corporation with respect to such cotton, and any amounts not expended for such purpose shall be covered into the Treasury as miscellaneous receipts.

"EXTENSION OF 1937 COTTON LOAN

"SEC. 382. The Commodity Credit Corporation is hereby authorized and directed to provide for the extension, from July 31, 1938, to July 31, 1939, of the maturity date of all notes evidencing a loan made or arranged for by the Corporation on cotton produced during the crop year 1937–1938. This section shall not be construed to prevent the sale of any such cotton on request of the person liable on the note.

"INSURANCE OF COTTON AND RECONCENTRATION OF COTTON

"SEC. 383. (a) The Commodity Credit Corporation shall place all insurance of every nature taken out by it on cotton, and all renewals, extensions, or continuations of existing insurance, with insurance agents who are bona fide residents of and doing business in the State where the cotton is warehoused: *Provided*, That such insurance may be secured at a cost not greater than similar insurance offered on said cotton elsewhere.

"(b) Cotton held as security for any loan heretofore or hereafter made or arranged for by the Commodity Credit Corporation shall not hereafter be reconcentrated without the written consent of the producer or borrower.

"REPORT OF BENEFITS

"SEC. 384. The Secretary shall submit to Congress an annual report of the names of persons to whom, during the preceding year, payments were made under the Soil Conservation and Domestic Allotment Act, as amended, together with payments under section 303 of this Act, if any, if the total amount paid to such person exceeded $1,000.

"FINALITY OF FARMERS' PAYMENTS AND LOANS

"SEC. 385. The facts constituting the basis for any Soil Conservation Act payment, parity payment, or loan, or the amount thereof, when officially determined in conformity with the applicable regulations prescribed by the Secretary or by the Commodity Credit Corporation, shall be final and conclusive and shall not be reviewable by any other officer or agency of the Government.

"SEC. 386. The provisions of section 3741 of the Revised Statutes (U. S. C., 1934 edition, title 41, sec. 22) and sections 114 and 115 of the Criminal Code of the United States (U. S. C., 1934 edition, title 18, secs. 204 and 205) shall not be applicable to loans or payments made under this Act (except under section 383 (a)).

"PHOTOGRAPHIC REPRODUCTIONS AND MAPS

"SEC. 387. The Secretary may furnish reproductions of such aerial or other photographs, mosaics, and maps as have been obtained in connection with the authorized work of the Department to farmers and governmental agencies at the estimated cost of furnishing such reproductions, and to persons other than farmers at such prices (not less than estimated cost of furnishing such

reproductions) as the Secretary may determine, the money received from such sales to be deposited in the Treasury to the credit of the appropriation charged with the cost of making such reproductions. This section shall not affect the power of the Secretary to make other disposition of such or similar materials under any other provisions of existing law.

"UTILIZATION OF LOCAL AGENCIES

"SEC. 388. (a) The provisions of section 8 (b) and section 11 of the Soil Conservation and Domestic Allotment Act, as amended, relating to the utilization of State, county, local committees, the extension service, and other approved agencies, and to recognition and encouragement of cooperative associations, shall apply in the administration of this Act; and the Secretary shall, for such purposes, utilize the same local, county, and State committees as are utilized under sections 7 to 17, inclusive, of the Soil Conservation and Domestic Allotment Act, as amended. The local administrative areas designated under section 8 (b) of the Soil Conservation and Domestic Allotment Act, as amended, for the administration of programs under that Act, and the local administrative areas designated for the administration of this Act shall be the same.

"(b) The Secretary is authorized and directed, from any funds made available for the purposes of the Acts in connection with which county committees are utilized to make payments to county committees of farmers to cover the estimated administrative expenses incurred or to be incurred by them in cooperating in carrying out the provisions of such Acts. All or part of such estimated administrative expenses of any such committee may be deducted pro rata from the Soil Conservation Act payments, parity payments, or loans, or other payments under such Acts, made unless payment of such expenses is otherwise provided by law. The Secretary may make such payments to such committees in advance of determination of performance by farmers.

"PERSONNEL

"SEC. 389. The Secretary is authorized and directed to provide for the execution by the Agricultural Adjustment Administration of such of the powers conferred upon him by this Act as he deems may be appropriately exercised by such Administration; and for such purposes the provisions of law applicable to appointment and compensation of persons employed by the Agricultural Adjustment Administration shall apply.

"SEPARABILITY

"SEC. 390. If any provision of this Act, or the application thereof to any person or circumstance, is held invalid, the validity of the remainder of the Act and the application of such provision to other persons or circumstances, and the provisions of the Soil Conservation and Domestic Allotment Act, as amended, shall not be affected thereby. Without limiting the generality of the foregoing, if any provision of this Act should be held not to be within the power of the Congress to regulate interstate and foreign commerce, such provision shall not be held invalid if it is within the power of the Congress to provide for the general welfare or any other power of the Congress. If any provision of this Act for marketing quotas with respect to any commodity should be held invalid, no provision of this Act for marketing quotas with respect to any other commodity shall be affected thereby. If the application of any provision for a referndum should be held invalid, the application of other provisions shall not be affected thereby. If by reason of any provision for a referndum the application of any such other provision to any person or circumstance is held invalid, the application of such other provision to other persons or circumstances shall not be affected thereby.

"PART II—APPROPRIATIONS AND ADMINISTRATIVE EXPENSES

"APPROPRIATIONS

"SEC. 391.(a) Beginning with the fiscal year ending June 30, 1938, there is hereby authorized to be appropriated, for each fiscal year for the administration of this Act and for the making of soil conservation and other payments such sums as Congress may determine, in addition to any amount made available pursuant to section 15 of the Soil Conservation and Domestic Allotment Act, as amended.

"(b) For the administration of this Act (including the provisions of title V) during the fiscal year ending June 30, 1938, there is hereby authorized to be made available from the funds appropriated for such fiscal year for carrying out the purposes of sections 7 to 17 of the Soil Conservation and Domestic Allotment Act, as amended, a sum not to exceed $5,000,000.

"ADMINISTRATIVE EXPENSES

"SEC. 392. (a) The Secretary is authorized and directed to make such expenditures as he deems necessary to carry out the provisions of this Act, including personal services and rents in the District of Columbia and elsewhere, traveling expenses (including the purchase, maintenance, and repair of passenger-carrying vehicles), supplies and equipment, law books, books of reference, directories, periodicals, and newspapers.

"(b) In the administration of this title, sections 7 to 17, inclusive, of the Soil Conservation and Domestic Allotment Act, as amended, and section 32, as amended, of the Act entitled 'An Act to amend the Agricultural Adjustment Act, and for other purposes', approved August 24, 1935, the aggregate amount expended in any fiscal year, beginning with the fiscal year ending June 30, 1939, for administrative expenses in the District of Columbia, including regional offices, shall not exceed 1 per centum of the total amount available for such fiscal year for carrying out such Acts, and the aggregate amount expended in any fiscal year for administrative expenses in the several States (not including the expenses of county and local committees) shall not exceed 2 per centum of the total amount available for such fiscal year for carrying out such Acts. In the event any administrative expenses of any county or local committee are deducted in any fiscal year, beginning with the fiscal year ending June 30, 1939, from Soil Conservation Act payments, parity payments, or loans, each farmer receiving benefits under such provisions shall be apprised, in the form of a statement to accompany the check evidencing such benefit payment or loan, of the amount or percentage deducted from such benefit payment or loan on account of such administrative expenses. The names and addresses of the members and employees of any county or local committee, and the amount of such compensation received by each of them, shall be posted annually in a conspicuous place in the area within which they are employed.

"ALLOTMENT OF APPROPRIATIONS

"SEC. 393. All funds for carrying out the provisions of this Act shall be available for allotment to bureaus and offices of the Department, and for transfer to such other agencies of the Federal Government, and to such State agencies, as the Secretary may request to cooperate or assist in carrying out the provisions of this Act.

"TITLE IV—COTTON POOL PARTICIPATION TRUST CERTIFICATES

"SEC. 401. There is hereby authorized to be appropriated, from any moneys in the Treasury of the United States not otherwise appropriated, the sum of $1,800,000, or so much thereof as may be required by the Secretary to accomplish the purposes hereinafter declared and authorized. The Secretary of the Treasury is hereby authorized and directed to pay to, or upon the order of, the Secretary, such a part or all of the sum hereby authorized to be appropriated at the request of the Secretary.

"SEC. 402. The Secretary is hereby authorized to draw from the Treasury of the United States any part or all of the sum hereby authorized to be appropriated, and to deposit same to his credit with the Treasurer of the United States, under special symbol number, to be available for disbursement for the purposes hereinafter stated.

"SEC. 403. The Secretary is hereby authorized to make available, from the sum hereby authorized to be appropriated, to the manager of the cotton pool, such sum or sums as may be necessary to enable the manager to purchase, take up, and cancel, subject to the restrictions hereinafter reserved, pool participation trust certificates, form C–5–I, where such certificates shall be tendered to the manager, cotton pool, by the person or persons shown by the records of the Department to have been the lawful holder and owner thereof on May 1, 1937, the purchase price to be paid for the certificates so purchased to be at the rate of $1 per five-hundred-pound bale for every bale or fractional part thereof represented by the certificates C–5–I. The Secretary is further authorized to pay directly, or to advance to, the manager of the cotton pool, to enable him to pay costs and expenses incident to the purchase of certificates as aforesaid, and any balance remaining to the credit of the Secretary, or the manager, cotton pool, not required for the purchase of these certificates in accordance with provisions of this Act, shall, at the expiration of the purchase period, be covered into the Treasury of the United States as miscellaneous receipts.

"SEC. 404. The authority of the manager, cotton pool, to purchase and pay for certificates hereunder shall extend to and include the 31st day of July 1938: *Provided*, That after expiration of the said limit, the purchase may be consummated of any certificates tendered to the manager, cotton pool, on or before July 31, 1938, but where for any reason the purchase price shall not have been paid by the manager, cotton pool. The Secretary is authorized to promulgate such rules, regulations, and requirements as in his discretion are proper to effectuate the general purposes of this title, which purpose is here stated to be specifically to authorize the purchase of outstanding pool participation trust certificates, form C–5–I, for a purchase price to be determined at the rate of $1 per bale, or twenty one-hundredths cent per pound, for the cotton evidenced by the said certificates, provided such certificates be tendered by holders thereof in accordance with regulations prescribed by the Secretary not later than the 31st day of July 1938, and provided such certificates may not be purchased from persons other than those shown by the records of the Department to have been holders thereof on or before the 1st day of May 1937.

"SEC. 405. The Secretary is authorized to continue in existence the 1933 cotton producers pool so long as may be required to effectuate the purposes of this title. All expense incident to the accomplishment of purposes of this title may be paid from funds hereby authorized to be appropriated, for which purpose the fund hereby authorized to be appropriated shall be deemed as supplemental to such funds as are now to the credit of the Secretary, reserved for the purpose of defraying operating expenses of the pool.

"SEC. 406. After expiration of the time limit herein established, the certificates then remaining outstanding and not theretofore tendered to the manager, cotton pool, for purchase, shall not be purchased and no obligation on account thereof shall exist.

"SEC. 407. Nothing in this title shall be construed to authorize the manager, cotton pool, to pay the assignee or any holder of such cotton pool participation trust certificates, form C–5–I, transferred on or before May 1, 1937, as shown by the records of the Department of Agriculture, more than the purchase price paid by the assignee or holder of such certificate or certificates with interest

at the rate of 4 per centum per annum from the date of purchase, provided the amount paid such assignee shall not exceed $1 per bale. Before making payment to any assignee, whose certificates were transferred on or before May 1, 1937, such assignee shall file with the manager, cotton pool, an affidavit showing the amount paid by him for such certificate and the date of such payment, and the manager, cotton pool, is authorized to make payment to such assignee based upon the facts stated in said affidavit as aforesaid.

"TITLE V—CROP INSURANCE

"SHORT TITLE AND APPLICATION OF OTHER PROVISIONS

"SEC. 501. This title may be cited as the 'Federal Crop Insurance Act.' Except as otherwise expressly provided the provisions in titles I to IV, inclusive, shall not apply with respect to this title, and the term 'Act' wherever it appears in such titles shall not be construed to include this title.

"DECLARATION OF PURPOSE

"SEC. 502. It is the purpose of this title to promote the national welfare by alleviating the economic distress caused by wheat-crop failures due to drought and other causes, by maintaining the purchasing power of farmers, and by providing for stable supplies of wheat for domestic consumption and the orderly flow thereof in interstate commerce.

"SEC. 503. To carry out the purposes of this title, there is hereby created as an agency of and within the Department of Agriculture a body corporate with the name 'Federal Crop Insurance Corporation' (herein called the Corporation). The principal office of the Corporation shall be located in the District of Columbia, but there may be established agencies or branch offices elsewhere in the United States under rules and regulations prescribed by the Board of Directors.

"CAPITAL STOCK

"SEC. 504. (a) The Corporation shall have a capital stock of $100,000,000 subscribed by the United States of America, payment for which shall, with the approval of the Secretary of Agriculture, be subject to call in whole or in part by the Board of Directors of the Corporation.

"Any impairment of the capital stock described in this subsection shall be restored only out of operating profits of the Corporation.

"(b) There is hereby authorized to be appropriated not more than $100,000,000 for the purpose of subscribing to said stock. No part of such sum shall be available prior to July 1, 1938. The appropriation for such purpose for the fiscal year ending June 30, 1939, shall not exceed $20,000,000 and shall be made only out of the unexpended balances for the fiscal year ending June 30, 1938, of the sums appropriated pursuant to section 15 of the Soil Conservation and Domestic Allotment Act, as amended.

"(c) Receipts for payments by the United States of America for or on account of such stock shall be issued by the Corporation to the Secretary of the Treasury and shall be evidence of the stock ownership by the United States of America.

"MANAGEMENT OF CORPORATION

"SEC. 505. (a) The management of the Corporation shall be vested in a Board of Directors (hereinafter called the 'Board') subject to the general supervision of the Secretary of Agriculture. The Board shall consist of three persons employed in the Department of Agriculture who shall be appointed by and hold office at the pleasure of the Secretary of Agriculture.

"(b) Vacancies in the Board so long as there shall be two members in office shall not impair the powers of the Board to execute the functions of the Corporation, and two of the members in office shall constitute a quorum for the transaction of the business of the Board.

"(c) The Directors of the Corporation appointed as hereinbefore provided shall receive no additional compensation for their services as such directors but may be allowed actual necessary traveling and subsistence expenses when engaged in business of the Corporation outside of the District of Columbia.

"(d) The Board shall select, subject to the approval of the Secretary of Agriculture, a manager, who shall be the executive officer of the Corporation with such power and authority as may be conferred upon him by the Board.

"GENERAL POWERS

"SEC. 506. The Corporation—

"(a) shall have succession in its corporate name;

"(b) may adopt, alter, and use a corporate seal, which shall be judicially noticed;

"(c) may make contracts and purchase or lease and hold such real and personal property as it deems necessary or convenient in the transaction of its business, and may dispose of such property held by it upon such terms as it deems appropriate;

"(d) subject to the provisions of section 508 (c), may sue and be sued in its corporate name in any court of competent jurisdiction, State or Federal: *Provided*, That no attachment, injunction, garnishment, or other similar process, mesne or final, shall be issued against the Corporation or its property;

"(e) may adopt, amend, and repeal bylaws, rules, and regulations governing the manner in which its business may be conducted and the powers granted to it by law may be exercised and enjoyed;

"(f) shall be entitled to the free use of the United States mails in the same manner as the other executive agencies of the Government;

"(g) with the consent of any board, commission, independent establishment, or executive department of the Government, including any field service thereof, may avail itself of the use of information, services, facilities, officials, and employees thereof in carrying out the provisions of this title;

"(h) may conduct researches, surveys, and investigations relating to crop insurance for wheat and other agricultural commodities;

"(i) shall determine the character and necessity for its expenditures under this title and the manner in which they shall be incurred, allowed, and paid, without regard to the provisions of any other laws governing the expenditure of public funds and such determinations shall be final and conclusive upon all other officers of the Government; and

"(j) shall have such powers as may be necessary or appropriate for the exercise of the powers herein specifically conferred upon the Corporation and all such incidental powers as are customary in corporations generally.

"PERSONNEL

"SEC. 507. (a) The Secretary shall appoint such officers and employees as may be necessary for the transaction of the business of the Corporation, which appointments may be made without regard to the civil-service laws and regulations, fix their compensation in accordance with the provisions of the Classification Act of 1923, as amended, define their authority and duties, delegate to them such of the powers vested in the Corporation as he may determine, require bond of such of them as he may designate, and fix the penalties and pay the premiums of such bonds. The appointment of officials and the selection of employees by the Secretary shall be made only on the basis of merit and efficiency.

"(b) Insofar as applicable, the benefits of the Act entitled 'An Act to provide compensation for employees of the United States suffering injuries while in the performance of their duties, and for other purposes', approved September 7, 1916, as amended, shall extend to persons given employment under the provisions of this title, including the employees of the committees and associations referred to in subsection (c) of this section and the members of such committees.

"(c) The Board may establish or utilize committees or associations of producers in the administration of this title and make payments to such committees or associations to cover the estimated administrative expenses to be incurred by them in cooperating in carrying out this title and may provide that all or part of such estimated expenses may be included in the insurance premiums provided for in this title.

"(d) The Secretary of Agriculture may allot to bureaus and offices of the Department of Agriculture or transfer to such other agencies of the State and Federal Governments as he may request to assist in carrying out this title any funds made available pursuant to the provisions of section 516 of this Act.

"(e) In carrying out the provisions of this title the Board may, in its discretion, utilize producer-owned and producer-controlled cooperative associations.

"CROP INSURANCE

"SEC. 508. To carry out the purposes of this title the Corporation is authorized and empowered—

"(a) Commencing with the wheat crop planted for harvest in 1939, to insure, upon such terms and conditions not inconsistent with the provisions of this title as it may determine, producers of wheat against loss in yields of wheat due to unavoidable causes, including drought, flood, hail, wind, winterkill, lightning, tornado, insect infestation, plant disease, and such other unavoidable causes as may be determined by the Board: *Provided, however*, That for the first three years of operation under this title contracts of insurance shall not be made for periods longer than one year. Such insurance shall not cover losses due to the neglect or malfeasance of the producer or to the failure of the producer to reseed in areas and under circumstances where it is customary to reseed. Such insurance shall cover not less than 50 or more than 75 per centum, to be determined by the Board, of the recorded or appraised average yield of wheat on the insured farm for a representative base period subject to such adjustments as the Board may prescribe to the end that the average yields fixed for farms in the same area, which are subject to the same conditions, may be fair and just. The Board may condition the issuance of such insurance in any county or area upon a minimum amount of participation in a program of crop insurance formulated pursuant to this title.

"(b) To fix adequate premiums for such insurance, payable either in wheat or cash equivalent as of the due date thereof, on the basis of the recorded or appraised average crop loss of wheat on the insured farm for a representative base period subject to such adjustments as the Board may prescribe to the end that the premiums fixed for farms in the same area, which are subject to the same conditions, may be fair and just. Such premiums shall be collected at such time or times, in such manner, and upon such security as the Board may determine.

"(c) To adjust and pay claims for losses either in wheat or in cash equivalent under rules prescribed by the Board. In the event that any claim for indemnity under the provisions of this title is denied by the Corporation an action on such claim may be brought against the Corporation in the district court of the United States in and for the district in which the insured farm is located, and exclusive jurisdiction is hereby conferred upon such courts to determine such controversies without regard to the amount in controversy: *Provided*, That no suit on such claim

shall be allowed under this section unless the same shall have been brought within one year after the date when notice of denial of the claim is mailed to the claimant.

"(d) From time to time, in such manner and through such agencies as the Board may determine, to purchase, handle, store, insure, provide storage facilities for, and sell wheat, and pay any expenses incidental thereto, it being the intent of this provision, however, that, insofar as practicable, the Corporation shall purchase wheat only at the rate and to a total amount equal to the payment of premiums in cash by farmers or to replace promptly wheat sold to prevent deterioration; and shall sell wheat only to the extent necessary to cover payments of indemnities and to prevent deterioration: *Provided, however,* That nothing in this section shall prevent prompt offset purchases and sales of wheat for convenience in handling. The restriction on the purchase and sale of wheat provided in this section shall be made a part of any crop insurance agreement made under this title. Notwithstanding any provision of this title, there shall be no limitation upon the legal or equitable remedies available to the insured to enforce against the Corporation the foregoing restriction with respect to purchases and sales of wheat.

"INDEMNITIES EXEMPT FROM LEVY

"SEC. 509. Claims for indemnities under this title shall not be liable to attachment, levy, garnishment, or any other legal process before payment to the insured or to deduction on account of the indebtedness of the insured or his estate to the United States except claims of the United States or the Corporation arising under this title.

"DEPOSIT OF FUNDS

"SEC. 510. All money of the Corporation not otherwise employed may be deposited with the Treasurer of the United States or in any bank approved by the Secretary of the Treasury, subject to withdrawal by the Corporation at any time, or with the approval of the Secretary of the Treasury may be invested in obligations of the United States or in obligations guaranteed as to principal and interest by the United States. Subject to the approval of the Secretary of the Treasury, the Federal Reserve banks are hereby authorized and directed to act as depositories, custodians, and fiscal agents for the Corporation in the performance of its powers conferred by this title.

"TAX EXEMPTION

"SEC. 511. The Corporation, including its franchise, its capital, reserves, and surplus, and its income and property, shall be exempt from all taxation now or hereafter imposed by the United States or by any Territory, dependency, or possession thereof, or by any State, county, municipality, or local taxing authority.

"FISCAL AGENT OF GOVERNMENT

"SEC. 512. When designated for that purpose by the Secretary of the Treasury, the Corporation shall be a depository of public money, except receipts from customs, under such regulations as may be prescribed by said Secretary; and it may also be employed as a financial agent of the Government; and it shall perform all such reasonable duties, as a depository of public money and financial agent of the Government, as may be required of it.

"ACCOUNTING BY CORPORATION

"SEC. 513. The Corporation shall at all times maintain complete and accurate books of account and shall file annually with the Secretary of Agriculture a complete report as to the business of the Corporation. The financial transactions of the Corporation shall be audited at least once each year by the General Accounting Office for the sole purpose of making a report to Congress, together with such recommendations as the Comptroller General of the United States may deem advisable: *Provided,* That such report shall not be made until the Corporation shall have had reasonable opportunity to examine the exceptions and criticisms of the Comptroller General or the General Accounting Office, to point out errors therein, explain or answer the same, and to file a statement which shall be submitted by the Comptroller General with his report.

"CRIMES AND OFFENSES

"SEC. 514 (a) Whoever makes any statement knowing it to be false, or whoever willfully overvalues any security, for the purpose of influencing in any way the action of the Corporation, or for the purpose of obtaining for himself or another money, property, or anything of value, under this title, shall be punished by a fine of not more than $5,000 or by imprisonment for not more than two years, or both.

"(b) No person shall, while acting in any official capacity in the administration of this title, speculate, directly or indirectly, in any agricultural commodity or product thereof, to which this title applies, or in contracts relating thereto, or in the stock or membership interests of any association or corporation engaged in handling, processing, or disposing of any such commodity or product. Any person violating this subsection shall upon conviction thereof be fined not more than $10,000 or imprisoned not more than two years, or both.

"(c) Whoever, being connected in any capacity with the Corporation, (1) embezzles, abstracts, purloins, or willfully misapplies any moneys, funds, securities, or other things of value, whether belonging to the Corporation or pledged or otherwise entrusted to it; or (2) with intent to defraud the Corporation, or any other body politic or corporate, or any individual, or to deceive any officer, auditor, or examiner of the Corporation, makes any false entry in any book, report, or statement of, or to, the Corporation or draws any order, or issues, puts forth, or assigns any note or other obligation or draft, mortgage, judgment, or decree thereof; or (3) with intent to defraud the Corporation, participates or shares in or receives directly or indirectly any money, profit, property, or benefits through any transaction, loan, commission, contract, or any other act of the Corporation, shall be punished by a fine of not more than $10,000 or by imprisonment for not more than five years or both.

"(d) Whoever willfully shall conceal, remove, dispose of, or convert to his own use or to that of another, any property mortgaged or pledged to, or held by, the Corporation, as security for any obligation, shall be punished by a fine of not more than $5,000 or by imprisonment for not more than two years, or both.

"(e) Whoever conspires with another to accomplish any of the acts made unlawful by the preceding provisions of this section shall, on conviction thereof, be subject to the same fine or imprisonment, or both, as is applicable in the case of conviction for doing such unlawful act.

"(f) The provisions of sections 112, 113, 114, 115, 116, and 117 of the Criminal Code of the United States (U. S. C., title 18, secs. 202 to 207, inclusive) insofar as applicable, are extended to apply to contracts or agreements with the Corporation under this title: *Provided, however,* That the provisions of section 3741 of the Revised Statutes (U. S. C., title 41, sec. 22) and sections 114 and 115 of the Criminal Code of the United States shall not apply to any crop-insurance agreements made under this title.

"ADVISORY COMMITTEE

"SEC. 515. The Secretary of Agriculture is authorized to appoint from time to time an advisory committee, consisting of not more than five members experienced in agricultural pursuits and appointed with due consideration to their geographical distribution, to advise the Corporation with respect to carrying out the purposes of this title. The compensation of the members of such committee shall be determined by the Board but shall not exceed $10 per day each while actually employed and actual necessary traveling and subsistence expenses, or a per diem allowance in lieu thereof.

"APPROPRIATIONS AND REGULATIONS

"SEC. 516. (a) There are hereby authorized to be appropriated such sums, not in excess of $6,000,000 for each fiscal year beginning after June 30, 1938, as may be necessary to cover the operating and administrative costs of the Corporation, which shall be allotted to the Corporation in such amounts and at such time or times as the Secretary of Agriculture may determine: *Provided,* That expenses in connection with the purchase, transportation, handling, or sale of wheat may be considered by the Corporation as being nonadministrative or nonoperating expenses. For the fiscal year ending June 30, 1939, the appropriation authorized under this subsection is authorized to be made only out of the unexpended balances for the fiscal year ending June 30, 1938, of the sums appropriated pursuant to section 15 of the Soil Conservation and Domestic Allotment Act, as amended.

"(b) The Secretary and the Corporation, respectively, are authorized to issue such regulations as may be necessary to carry out the provisions of this title.

"SEPARABILITY

"SEC. 517. The sections of this title and subdivisions of sections are hereby declared to be separable, and in the event any one or more sections or parts of the same of this title be held to be unconstitutional, the same shall not affect the validity of other sections or parts of sections of this title.

"RIGHT TO AMEND

"SEC. 518. The right to alter, amend, or repeal this title is hereby reserved."

And the Senate agree to the same.

Amend the title to read as follows: "To provide for the conservation of national soil resources and to provide an adequate and balanced flow of agricultural commodities in interstate and foreign commerce, and for other purposes."

MARVIN JONES,
H. P. FULMER,
WALL DOXEY,
CLIFFORD R. HOPE,
Managers on the part of the House.

E. D. SMITH,
GEO. MCGILL,
J. H. BANKHEAD,
CARL A. HATCH,
J. P. POPE,
LYNN J. FRAZIER,
ARTHUR CAPPER,
Managers on the part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 8505) to provide for the conservation of national soil resources and to provide an adequate and balanced flow of agricultural commodities in interstate and foreign commerce submit the following statement in explanation of the effect of the action agreed upon and recommended in the accompanying conference report:

This explanation of the effect of the action of the committee of conference follows the general order of the House bill. The discussion of each of the subjects treated in the House bill or the

Senate amendment is set forth under a separate heading. Under each heading will be found in the following order (1) an explanation of the effect of the House provision, if any, (2) an explanation of the effect of the Senate amendment, if any, and (3) the action recommended by the conference committee with an explanation thereof if a provision different from that of the House bill or Senate amendment is recommended by the committee. The subjects are treated under the following headings:

1. Short title.
2. Declaration of policy.
3. Amendments to Soil Conservation and Domestic Allotment Act.
(a) Generally.
(b) Acreage allotments generally.
(c) Farm acreage allotments—wheat.
(d) Farm acreage allotments—cotton.
(e) Farm acreage allotments—corn.
(f) Farm acreage allotments—rice.
(g) Acreage planted less than farm acreage allotment.
(h) Normal yield.
(i) Conditions of payments.
(j) Use of diverted acres.
(k) Reductions in payments.
(l) Tenant provisions.
(m) Apportionment of funds.
(n) Effective date.
4. Definitions.
5. Adjustments in freight rates.
6. New uses and markets.
7. Amendments to section 32.
8. Continuation of Federal Surplus Commodities Corporation.
9. Loans on agricultural commodities.
10. Consumer safeguards.
11. Adjustment contracts (corn and wheat).
12. Parity payments (cotton, corn, and wheat).
13. Ever-normal granary and acreage diversion for wheat and corn.
14. Base acreages for wheat and corn.
15. Marketing quotas—tobacco.
16. Marketing quotas—corn.
17. Marketing quotas—wheat.
18. Marketing quotas—cotton.
19. Export bounty on cotton.
20. Marketing quotas—rice.
21. Publication and review of quotas, etc.
22. 1937 cotton price adjustment payments.
23. 1937–38 cotton loan.
24. Utilization of local agencies.
25. Personnel.
26. Separability.
27. Appropriations.
28. Administrative expenses.
29. Allotment of appropriations.
30. Report of money payments to Congress.
31. Miscellaneous provisions of Senate amendment not contained in House bill.
32. Surplus Reserve Loan Corporation.
33. Cotton pool certificates.
34. Investigation for crop insurance.
35. Crop insurance.

1. SHORT TITLE

The House bill (sec. 1) and the Senate amendment (sec. 1) have the short title "Agricultural Adjustment Act of 1937." The conference agreement adopts the same provision with a clerical change in the date.

2. DECLARATION OF POLICY

The House bill (sec. 1) declares the policy of Congress to be to continue the Soil Conservation and Domestic Allotment Act to conserve and restore soil resources; to encourage soil-building crops and practices, and to regulate in interstate and foreign commerce soil-depleting crops; to assist farmers to accomplish such purposes by securing, so far as practicable, parity of prices and income; and to assist in marketing farm commodities through storage, providing for reserve supplies, and to assist in marketing commodities for domestic consumption and export. It relates to all agricultural commodities.

The Senate amendment (sec. 2) declares the policy of Congress to be to regulate interstate and foreign commerce in cotton, wheat, corn, tobacco, and rice to the extent necessary to provide such flow of those commodities as will maintain parity of prices and income for farmers marketing them, and, without interfering with parity prices, will provide an ever-normal granary for each such commodity and conserve soil resources and prevent the wasteful use of soil fertility.

The conference agreement (sec. 2) retains the substance of both provisions and emphasizes the exercise of the interstate-commerce power in connection with the regulation of the marketing of cotton, wheat, corn, rice, and tobacco, and also indicates that the powers are to be exercised to assist consumers to obtain an adequate and steady supply of these commodities at fair prices.

3. AMENDMENTS TO SOIL CONSERVATION AND DOMESTIC ALLOTMENT ACT

(A) GENERALLY

The House bill (sec. 2) and the Senate amendment (sec. 80 (a), (b), (c), and (e)) amend the Soil Conservation and Domestic Allotment Act, generally, as follows:

(1) The House bill (sec. 2) and the Senate amendment (sec. 80 (a)) authorize the Secretary to exercise his powers to make payments or grants of aid under that act so as to carry out the purpose of reestablishment of the ratio of farmers' income to the income of other persons that prevailed during the base period. The conference agreement retains this provision.

(2) The House bill (sec. 2) added to section 8 (b) of that act a provision under which the Secretary is authorized to measure payments or grants to agricultural producers by their equitable share, as determined by him, of the normal national production of any commodity (1) required for domestic consumption, or (2) required for domestic consumption and export.

The Senate amendment (sec. 80 (b)) authorizes a measure based upon producers' equitable share of the production of any commodity required for domestic consumption and export, but provides for an adjustment to reflect the extent to which producers' utilization of cropland conforms to farming practices which the Secretary determines will best effectuate the purposes of section 7 (a) of the present law. The conference agreement retains the Senate provision.

The Senate amendment (sec. 80 (c) also provides that in determining the amount of any payment or grant so measured the Secretary shall take into consideration and give equal weight to two factors. First, the national acreage required to be devoted to the crop or group of crops, or farming practices, in order to provide adequately for domestic consumption and exports and the value of the production of the commodity or commodities on such national acreage on the basis of average values during the previous 10 years. Second, the national average acreage (including diverted acres) devoted to production in excess of the acreage for the 10-year period so required and the value of production from the excess acres on the basis of average values during the 10-year period. The House bill contained no comparable provision. The conference agreement omits this provision.

(3) The House bill (sec. 2) provided that in arid and semi-arid regions the authority to make payments or grants measured by farmers' treatment or use of land for soil restoration and conservation and payments or grants on account of land use shall be construed to include water conservation and beneficial use of water on individual farms. The Senate amendment contains no comparable provision. The conference agreement retains this provision.

(4) The House bill (sec. 2) directed the Secretary to utilize in the administration of the Soil Conservation and Domestic Allotment Act local committees upon which tenants and sharecroppers should have fair representation. The members were to be appointed by the Secretary from among agricultural producers on the advice and recommendation of producers in the locality who are participators in the program. The comparable provision of the Senate amendment (sec. 62 (b) (1)) does not directly amend the Soil Conservation and Domestic Allotment Act. It provides for designation by the Secretary of local administrative areas as units for administration of programs under the Soil Conservation Act, the Senate amendment, and such other agricultural laws as the Secretary may specify. Farmers in the local area who are participating or cooperating are to elect a local committee from their number. The chairman of the local committees are to constitute the county committee. The county committee elects an administrative committee of three. The county agent is secretary of the county committee and is the Secretary of Agriculture's representative in the county. A State committee of five farmers who reside in the State is to be appointed by the Secretary. Before appointing members of the State committee, the Secretary is to consult with and give consideration to recommendations of the State director of agricultural extension and of representatives of leading State-wide farm organizations. The Secretary is given power to issue regulations to carry out the provisions described above. No payment is to be made to a State, county, or local committee, except for services performed or expenses incurred in the State.

The conference agreement authorizes the Secretary to designate local administrative areas as units for the administration of programs under sections 7 to 17 of the Soil Conservation and Domestic Allotment Act. Local areas so designated cannot extend beyond county lines but may include less than a county. Cooperating farmers in the local area are to elect annually from their number a local committee of not more than three farmers. The local committee is to select a secretary and may utilize the county agent for the purpose. If there is only one local area in the county, the local committee is the county committee and has all the powers of a county committee.

Farmers in each local area are to elect annually a delegate to a county convention. The delegates from the local areas are to elect a county committee of three farmers in the county. The county committee is to select a secretary who may be the county agent. If the county agent is not elected secretary, he is to be ex officio a member of the county committee. In no case is the county agent to have power to vote on the county or local committee.

The conference agreement provides for a State committee composed of not less than three nor more than five farmers in the State. They are appointed by the Secretary. The State director of the Extension Service is ex officio a member of the State committee.

The Secretary is given power under the conference agreement to prescribe regulations relating to the selection of committees and the exercise of their powers and to the administration of programs under their jurisdiction.

Section 388 of the conference agreement makes the provisions described above apply so that the same local committees and areas are used for the new programs contemplated under the bill. Section 388 (b) requires the Secretary to make payments to county committees to cover estimated administrative expenses under acts under which they cooperate. These expenses may be deducted pro rata from payments under soil conservation, loans, or other payments. Such payments to committees may be made in advance of performance by farmers.

(5) The House bill (sec. 2) added to the present law a provision under which in the administration of the Soil Conservation and Domestic Allotment Act the Secretary is to accord such recognition and encouragement to cooperatives owned and controlled by producers as is in harmony with the policy toward cooperatives of existing acts and will tend to promote efficient methods of marketing and distribution. The Senate amendment contains no comparable provision. The conference agreement retains this provision.

(6) The House bill (sec. 2) omits the provision of the present law under which the Secretary is denied power to enter into contracts binding upon producers. The Senate amendment (sec. 80 (e)) affirmatively grants him power to enter into contracts with producers. The conference agreement is the same as the House provision.

(7) The House bill (sec. 2) adds a provision to the present law under which rules and regulations governing payments or grants are to be as simple and direct as possible and payments are to be classified, so far as practicable, on two bases: First, soil-depleting crops and practices, and, second, soil-building crops and practices. The Senate amendment contains no comparable provision. The conference agreement retains the House provision.

(B) ACREAGE ALLOTMENTS GENERALLY

The House bill (sec. 2) inserted in section 8 of the Soil Conservation and Domestic Allotment Act a new subsection, paragraph (1) of which provides for ascertainment and apportionment of acreage allotments in the case of cotton, wheat, corn, and rice. The national acreage allotment for each of these commodities is to be ascertained annually by the Secretary. That amount is to be apportioned annually among the States, and the State acreage allotment among the counties or other areas in the State, on the basis of acreage devoted to the production of the commodity during the previous 5 years in the case of cotton and rice, and the previous 10 years in the case of wheat and corn. For applicable years there are to be added the acres diverted under previous adjustment and conservation programs. Adjustments are to be made for abnormal weather conditions and trends in acreage during the period. The Senate amendment contains no comparable provision. The conference agreement omits the provisions relating to cotton and rice. It retains the provisions relating to wheat and corn but the ascertainment of the number of acres is based upon acres seeded for the production of wheat or corn rather than acres devoted to the production of such commodities. Further, there is to be no allotment to administrative areas. The allotment is made to the county.

(C) FARM ACREAGE ALLOTMENTS—WHEAT

Paragraph (2) of the amendment added to section 8 of the Soil Conservation and Domestic Allotment Act by section 2 of the House bill provides for the apportionment of the wheat allotment which is made to the county or other administrative area among farms in the county or area. Ninety-seven percent of the local allotment is to be apportioned by the Secretary, through the local committee, among farms so that the allotment to each farm is a uniform percentage throughout the locality of the average of the tilled acres (during the previous 5 years) on the farm. An exception is made to this rule under which if wheat has been planted during 2 years or less of the 5-year period the allotment is one-half what it would otherwise be. Similarly, if wheat has been planted 3 years, the allotment is three-fourths, or if planted 4 years, the allotment is four-fifths of the amount it would otherwise be. Three percent of the local allotment is to be apportioned to farms on which wheat has been planted during none of the previous 5 years. In determining all wheat allotments to farms under the paragraph the Secretary is to take into consideration the acreage devoted during the 5-year period to cotton, field corn, and rice.

The Senate amendment contains no comparable provision.

The conference agreement substitutes for the House provision a rule under which the county allotment is allotted to farms in the county on the basis of tillable acres, crop-rotation practices, type of soil, and topography. Not more than 3 percent of the county allotment may be given to farms on which wheat has not been planted during any of the 3 years immediately preceding the year in which the allotment is made.

(D) FARM ACREAGE ALLOTMENTS—COTTON

Paragraph (3) of the amendment added to section 8 of the Soil Conservation and Domestic Allotment Act by section 2 of the House bill provides for the apportionment of the State cotton allotment to counties and other local areas and for the apportionment of the local allotment to farms. Ninety-five percent of the State allotment is to be apportioned to the counties or other local areas. This apportionment is made in the manner described above on the basis of a 5-year average. That amount is then apportioned to the cotton farms in the county on a uniform tilled acreage basis. As in the case of wheat, the allotment to farms on which cotton has been planted not more than 2 years, is one-half; if planted 3 years it is three-fourths; and if planted 4 years, is four-fifths of the allotment which would otherwise be made. Two and one-half percent of the State allotment is to be allotted to farms in the State which were not used for cotton production during any one of the previous 5 years. Two and one-half percent of the State allotment (plus any amount not used under the other 2½ percent provision) is to be allotted to farms operated by owners, tenants, or sharecroppers, to which an allotment of not exceeding 15 acres has been made out of the allotment to the locality. The Secretary is to take into consideration in making all allotments under the paragraph the acreage devoted during the 5-year period to the production of wheat, rice, and corn. In the case of farms on which during the 5-year period the cash income from other cash crops was greater than the cash income from cotton and cottonseed, appropriate reductions in allotments are to be made according to ratios representing current relative values per acre or per unit of cotton and the other commodities, and due consideration is to be given to current trends in uses of the farm.

In no case can the cotton allotment to a farm exceed 60 percent of the tilled acres of the farm.

The Senate amendment contains no comparable provision.

The conference agreement omits the provisions relating to cotton.

(E) FARM ACREAGE ALLOTMENTS—CORN

Paragraph 4 of the amendment added by section 2 of the House bill to section 8 of the Soil Conservation and Domestic Allotment Act provides for the apportionment, through the local committee, of the local corn allotment to farms on the basis of tillable acreage, type of soil, topography, crop-rotation practices, and production facilities. There is no comparable provision in the Senate amendment.

The conference agreement adopts the House provision except that production facilities is omitted as a factor in determining allotments, and there is no apportionment of the allotment to a local administrative area, for allotments are made only to counties.

(F) FARM ACREAGE ALLOTMENTS—RICE

Paragraph (5) of the amendment added by section 2 of the House bill to section 8 of the Soil Conservation and Domestic Allotment Act provides for the apportionment of the State acreage allotment for rice to rice producers in the State. Not less than 97 percent of the State acreage allotment is to be apportioned among such rice producers on the basis of past production; land, labor, and equipment for rice production; crop-rotation practices; and the soil fertility and other physical factors affecting the production of rice. Not more than 3 percent of the State acreage allotment is to be apportioned among producers who for the first time in the past 5 years are producing rice. No such new producer is to be allotted an acreage in excess of 75 percent of the allotment which would otherwise be made to him. There is no comparable provision in the Senate amendment. The conference agreement omits the House provision.

(G) ACREAGE PLANTED LESS THAN FARM ALLOTMENT

Paragraph (6) of the amendment added by section 2 of the House bill to section 8 of the Soil Conservation and Domestic Allotment Act provides that if the acreage planted to any commodity is less than 80 percent of the farm acreage allotment for the commodity the farm acreage allotment is to be 25 percent in excess of the planted acreage. This is merely to provide a rule for payment in case the acres actually conserved prove to have been greater than required under the program. The rule does not affect allotments to other farms. There is no comparable provision in the Senate amendment. The conference agreement retains the provision specifically relating it to corn, wheat, cotton, tobacco, and rice.

(H) NORMAL YIELD

Paragraph (7) of the amendment added by section 2 of the House bill to section 8 of the Soil Conservation and Domestic Allotment Act provides a rule for determining normal yield per acre in the case of cotton, wheat, field corn, and rice. In the case of cotton, wheat, and corn the normal yield is the average yield during the 10 calendar years previous to the year of determination adjusted for abnormal weather conditions and trends in yield. In the case of cotton, wheat, or corn, if on account of drought, flood, insect pests, plant disease, or other uncontrollable natural cause, the production in any year of the 10-year period is less than 75 percent of the average of the other years in the period, that year is to be eliminated in calculating normal yield. In the case of rice the normal yield per acre is to be the average yield during the 5 immediately preceding calendar years. If the normal yield for all lands planted to rice in any year in the State (weighted by the acreage allotments in the State) exceeds the average yield per acre for the State during the period used, the normal yield for the lands shall be reduced pro rata so that the average of normal yields does not exceed the State average yield. In the case of cotton, wheat, corn, and rice, if for any reason there is no actual yield or the data therefor are not available for any year, an appraised yield for the year is to be used. There is no comparable provision in the Senate amendment.

The conference agreement adopts the House provision but confines its operation to wheat and corn.

(I) CONDITIONS OF PAYMENT

Subsection (d) of the amendment added by section 2 of the House bill to section 8 of the Soil Conservation and Domestic Allotment Act provides that payments or grants of aid under subsection (b) of section 8 of that act shall be conditioned upon the

utilization of the land with respect to which such payment is made in conformity with farming practices which the Secretary finds tend to effectuate any one or more of the purposes specified in clause (1), (2), (3), (4), or (5) of section 7 (a).

Section 80 (f) of the Senate amendment contains similar provisions. It amends section 8 (c) of the Soil Conservation and Domestic Allotment Act by striking out "specified in clause (1), (2), (3), or (4)". The effect of both the House bill and the Senate amendment is the same. Both permit the Secretary to condition payments or grants upon the utilization of the land in conformity with farming practices which he finds tend to effectuate the purposes of clause (5) of section 7 (a) under which the Secretary is given authority to provide for the reestablishment and maintenance of parity of farm income, as well as clause (1), (2), (3), or (4).

The conference agreement adopts the House provision.

(J) USE OF DIVERTED ACRES

Subsection (d) of the amendment added by section 2 of the House bill to section 8 of the Soil Conservation and Domestic Allotment Act further provides that payments or grants of aid under subsection (b) of section 8 of that act shall (except for lands which the Secretary determines should not be utilized for the harvesting of crops but should be permanently used for grazing purposes only) be conditioned upon the utilization of the land so that soil-building and soil-conserving crops planted or produced on lands normally used for the production of cotton, wheat, rice, tobacco, or field corn, shall be used for the purpose of building and conserving the fertility of the soil, or for the production of agricultural commodities to be consumed on the farm, and not for market. The term "for market" is defined to mean for disposition by sale, barter, exchange, or gift, or by feeding (in any form) to poultry or livestock which, or the products of which, are to be sold, bartered, exchanged, or given away. Such term does not include consumption on the farm. An agricultural commodity is deemed consumed on the farm if consumed by the farmer's family, employees, or household, or by his livestock; or if fed to poultry or livestock on his farm and such poultry or livestock, or the products thereof, are to be consumed by his family, employees, or household.

Section 66 of the Senate amendment does not expressly amend the Soil Conservation and Domestic Allotment Act but it conditions payments in the same manner.

The provision of the conference agreement amends the Soil Conservation and Domestic Allotment Act. Payments with respect to a farm (except land that the Secretary determines should not be utilized for the harvesting of crops but for grazing purposes only) shall, if the number of cows kept on the farm and the number of cows in the county used for the production of milk or products of milk for market exceeds the normal number, be conditioned so that soil building and conserving crops planted or produced on acreage equal to the land normally used for production of soil-depleting crops, but not to be so used if the producer is to qualify for payment, shall be used for conserving the soil or for the production of crops for home consumption and not for market. If the county as a whole is in substantial compliance no farmer in the county is to be denied payment. If the county as a whole does not substantially comply then no farmer is denied payment unless the farmer has not substantially complied. Suspension of the provision is provided for in case of shortage of feed by reason of drought, flood, or other disaster. Provision is made for investigation of adverse effects of programs under the act on livestock producers (other than producers of dairy cattle) and poultry raisers. If the Secretary finds such effects, he is to make such provisions with respect to use of diverted acres as he finds necessary to protect the interests of such producers.

(K) REDUCTIONS IN PAYMENT

Section 3 of the House bill adds to section 8 of the Soil Conservation and Domestic Allotment Act a new subsection which provides that any payment that would otherwise be made under section 8 of that act shall be reduced by 25 percent of the amount thereof in excess of $1,000, and that no total payment to any producer for his share of the payment shall exceed $7,500. Amounts paid to a landlord which represent a tenant's or sharecropper's share of the payment are to be excluded in determining the amount to which the reduction is to be applied in the case of payments made to a landlord. There are also to be excluded amounts representing the landlord's share of a payment with respect to land operated under a tenancy or sharecropper relationship if the division of the payment between the landlord and the tenant or sharecropper is determined by the local committee to be in accordance with fair and reasonable standards of sharing prevailing in the locality. In computing reductions, payment is to be computed separately with respect to performance in any State, Territory, or possession for each year, and the determination of the Secretary as to the status of any producer is to be final. In any such determination, there is to be taken into account the status, if any, of any producer or his predecessor in interest, as of January 1, 1937.

The Senate amendment (sec. 64 (i)) provides that payments to farmers thereunder, and under the Soil Conservation and Domestic Allotment Act, are to be divided among the landowners, tenants, and sharecroppers on any farm, with respect to which the payments are made, in the same proportion that such landowners, tenants, and sharecroppers are entitled to share in the proceeds of the agricultural commodity with respect to which the payments are paid. The payments are to be paid directly to the landowners, tenants, or sharecroppers entitled thereto. If the total amount of such payments, except payments under section 6 (c) of the Senate amendment (relating to payments computed under the Soil Conservation and Domestic Allotment Act in case they are greater than the parity payments computed under the Senate amendment) to any person with respect to any year would exceed $600, such amount is to be reduced by 25 percent of that part of the amount in excess of $600 but not in excess of $1,000, by 60 percent of that part of the amount in excess of $1,000 but not in excess of $1,500, by 90 percent of that part of the amount in excess of $1,500 but not in excess of $2,500, and by 95 percent of that part of the amount in excess of $2,500.

The conference agreement (Sec. 102) adopts the provisions of the Senate amendment relating to division of payments between landlords, tenants, and sharecroppers, except that payments based on soil-building and soil-conserving practices are to be divided between such persons in proportion to the extent to which they contribute to carrying out the practices. The conference agreement adopts the provisions of the Senate amendment under which payments are to be made directly to the landlords, tenants, or sharecroppers entitled thereto. The conference agreement also provides that payments to all persons shall be computed at rates which will permit the Secretary to set aside enough (within the limits of the appropriation) to make the increased payments provided for. The increases range from a 40-percent increase if the payment to any person for any farm is less than $20 to an increase of $14 if the payment is more than $60. In no case is the effect of the increase to raise the payment above $200. The agreement provides for ignoring fractions of a dollar in calculating the percentage increase. Thus if the base payment is $21.36 the calculation of the percentage increase is made as if the amount were $21, but the whole $21.36 is to be added to the increase in computing the total payment.

The conference agreement adopts a provision under which no total payment can exceed $10,000. This goes into effect with respect to performance in 1939. It does not apply to payments in 1939 for performance in 1938. This $10,000 limitation is applicable to the total payments made in a State, Territory, or possession in the case of payment to an individual, partnership, or estate. That is, if performance in such cases is in two States, the limitation is computed separately for each State. In all other cases, all performances are added together to apply the limitation.

(L) TENANT PROVISIONS

The House bill (sec. 4) added to section 8 of the Soil Conservation and Domestic Allotment Act two new subsections, subsections (f) and (g). The former provides that any change in the relationship between the landlord and the tenants or sharecroppers, with respect to any farm, that would increase over the previous year the amount of payments or grants under section 8 (b) of that act that would otherwise be made to any landlord, shall not operate to increase such payment or grant to such landlord. Similarly, any reduction in the number of tenants over the average number on the farm during the preceding 3 years that would increase the payments or grants to the landlord that would otherwise be made is not hereafter to operate to increase the payment or grant to the landlord. These provisions do not apply if on investigation the local committee finds that the change is justified and approves such change in relationship. Such change is not to be approved if in the judgment of the committee the major objective of the landlord in making it is to effect an increase in his benefits. The conference agreement (sec. 103) adopts the substance of the House provision. It omits the language relating to the major objective of the landlord. It also provides that the limitations apply only if the county committee affirmatively finds that the change or reduction is not justified and disapproves it.

The new subsection (g) added to section 8 of the Soil Conservation and Domestic Allotment Act by section 4 of the House bill provides that the whole or any part of a payment which may be made to a tenant or sharecropper may be assigned by him, in writing, to his landlord as security for cash or advances. The assignment, to be valid, must be acknowledged by the tenant or sharecropper and the landlord before the county agent and filed with the county agent. These provisions for assignments are not to authorize any suit against or impose any liability upon the Secretary or any disbursing agent if payment is made without regard to the assignment.

The Senate amendment does not contain any comparable provisions.

The conference agreement (sec. 103) adopts the House provision and makes it applicable to any farmer. The assignment may be made only as security for cash or advances to finance making a crop. An affidavit must be filed stating that the assignment is not made to pay or secure a preexisting indebtedness. Assignments may be made only without discount.

(M) APPORTIONMENT OF FUNDS

The House bill (sec. 5) amends section 15 of the Soil Conservation and Domestic Allotment Act (the appropriations section of that act) by adding at the end of section 15 a new paragraph containing a rule for apportioning funds. The funds available for payments (after allowing not to exceed 5 percent for administrative expenses, payments with respect to naval stores, and payments in Hawaii, Alaska, and Puerto Rico) are to be allocated among the commodities produced in continental United States with respect to which payments or grants are to be computed. The Secretary, in making the allocation, is to take into consideration and give equal weight to (1) the average acreages of the various commodities for the 10 preceding years, including an

acreage of pasture which bears the same proportion to the acreage of all crops that the farm value of livestock and livestock products produced from pasture bears to the farm value of all crops; (2) the value of parity prices of the production from the allotted acreages of the various commodities, including with respect to pasture the value at parity prices of that portion of livestock and livestock products produced from pasture; (3) the average acreage during the preceding 10 years in excess of the allotted acreage for the year with respect to which the payment is made; and (4) the value based on average prices for the preceding 10 years of the production of the excess acreage determined under (3). The rate of payment to the producers of each commodity is to be such that the estimated total payments with respect to the commodity shall equal the funds allocated to it. For the purpose of allocating funds and computing payments or grants the Secretary may consider as one commodity a group of commodities or a regional or market classification of a commodity.

The Senate amendment does not contain any comparable provision.

The conference agreement (sec. 104) amends section 15 of the Soil Conservation and Domestic Allotment Act by adding a rule for apportioning funds. Allowance for administrative expenses is to be made in addition to a 5-percent allowance for payments with respect to range lands, noncrop pasture lands, and naval stores. The conference agreement contains no provision for allowance for payments in Hawaii, Alaska, and Puerto Rico. In allocating the funds to commodities the Secretary is to take into consideration and give equal weight to (1) the average for the 10 years, 1928 to 1937, of the acreage planted to the various commodities (including the acreage of rotation pasture) adjusted for abnormal weather and other conditions plus the acreage diverted in such years from production of such commodities under agricultural adjustment and conservation programs; (2) the value at parity prices of the production, as determined by the Secretary, of the various commodities on their allotted acreage for the year with respect to which the payment is made; (3) the excess, over the allotted acreage for the year with respect to which the payment is made, of the average for the 10 years, 1928–37 of the acreage planted to the various commodities, including the acreage diverted in such years from the production of such commodities; (4) the value, based on average prices for the preceding 10 years, of the production, as ascertained by the Secretary, on the excess acreage determined under item 3.

The rate of payment to the producers of each commodity is to be such that the estimated total payments with respect to the commodity shall equal the funds allocated to it. For the purpose of allocating funds and computing payments or grants, the Secretary is authorized to consider as one commodity a group of commodities or a regional or market classification of a commodity. The Secretary is authorized to use funds allocated to two or more commodities produced on farms of a designated regional or other classification in computing payments with respect to one of such commodities on farms on which both are produced and to use for special programs for a county an amount equal to the estimated payments which would be made in the county. The conference agreement contains also a provision that farm-acreage allotments shall be made for wheat in 1938, but that in determining compliance wheat shall be considered with other crops for which special acreage allotments are not made.

(N) EFFECTIVE DATE

The House bill (sec. 6) provides that the amendments made by the bill to the Soil Conservation and Domestic Allotment Act are first to be effective with respect to farming operations carried out in the calendar year 1938.

The Senate amendment does not contain any comparable provision.

The conference agreement (sec. 104) adopts the House provision.

4. DEFINITIONS

The House bill (sec. 7 (a) (1)) defined "parity" of prices so that it applied to all commodities. The Senate amendment definition applies only to cotton, wheat, corn, tobacco, and rice. Both definitions provide for a price which will give the commodity its purchasing power during the base period. The Senate amendment (sec. 61 (a) (2)) provides that the price shall reflect contrasts in freight rates between the base period and the time of ascertaining parity, which the House bill does not. The Senate amendment makes adjustments on account of contrasts in interest payments, tax payments, and freight rates applicable to tobacco, which has a base period 1919 to 1929. The similar provision of the House bill made its adjustments only to commodities having a base period 1909 to 1914; that is, commodities other than tobacco.

The conference agreement (sec. 301 (a) (1)) adopts the House provision, except that freight rates are to be considered in reflecting contrasts.

Parity of income is defined in the House bill (sec. 7 (a) (2)) to mean the net aggregate income of farmers that bears to the income of persons other than farmers the relation of the 1909 to 1914 period. The Senate definition (sec. 61 (a) (3)) is the same, except that "aggregate" is omitted and "individuals" is substituted for "persons." The conference agreement (sec. 301 (a) (2)) defines parity of income to be that per capita net income of individuals on farms from farming operations that bears to the per capita net income of individuals not on farms the same relation that prevailed during the period August 1909 to July 1914.

The definition of "interstate and foreign commerce" in the House bill (sec. 7 (a) (3)) and "interstate or foreign commerce" in the Senate amendment (sec. 61 (a) (16)) is the same, except that the House bill includes within that term commerce wholly within a Territory, Puerto Rico, or the District of Columbia, which the Senate amendment does not. The conference agreement (sec. 301 (a) (3)) adopts the House provision.

The House bill (sec. 7 (a) (4)) defines "affect interstate commerce and foreign commerce" and the Senate amendment (sec. 61 (a) (7)) defines "affect interstate or foreign commerce" in the same manner, except that the Senate amendment is more extensive in including within it "other things." The conference agreement (sec. 301 (a) (4)) defines "affect interstate and foreign commerce" but in other respects adopts the Senate provision.

The terms "United States," "State," "Secretary," "Department," and "person" are defined the same way in the House bill, the Senate amendment, and the conference agreement.

The differences between the other definitions in the House bill and the Senate amendment and the effect of the definitions used in the conference agreement are discussed in connection with the subjects to which the definitions relate.

Under the House bill, the latest available statistics of the Federal Government are to be used by the Secretary in ascertaining "total supply," "normal year's domestic consumption," "normal year's exports," "reserve supply level," "parity" as applied to prices and income, and national average yields. Under the Senate amendment, the latest available statistics of the Department of Agriculture are to be used by the Secretary in ascertaining "total supply," "normal year's domestic consumption," "normal year's exports," "parity" as applied to prices and income, and "current average farm price." The conference agreement (sec. 301 (c)) requires the Secretary to use the latest available statistics of the Federal Government in making determinations required to be made by him under the bill.

5. ADJUSTMENTS IN FREIGHT RATES

The House bill (sec. 201) authorized the Secretary of Agriculture to make complaint to the Interstate Commerce Commission with respect to rates, charges, tariffs, and practices relating to the transportation of any farm products, and to prosecute such complaints. Before proceeding to hear and dispose of any complaint filed by any person other than the Secretary, involving the transportation of farm products, the Interstate Commerce Commission must cause the Secretary to be notified, and upon his application must permit him to appear and be heard. For the purpose of these provisions the Interstate Commerce Commission is authorized to avail itself of the cooperation, records, services, and facilities of the Department of Agriculture. The Secretary is also authorized to cooperate with and assist cooperative associations of farmers making complaint to the Commission with respect to rates, charges, tariffs, and practices relating to the transportation of farm products.

The Senate amendment contains no comparable provisions.

The conference agreement (sec. 201) adopts the House provision with changes. If the application (brought either by the Secretary or any other person) is one involving the public interest, upon request of the Secretary, the Commission is required to make the Secretary a party to the proceeding. In such case the Secretary is to have all the rights of a party before the Commission. Furthermore, the Secretary has the rights of a party to bring and prosecute judicial proceedings involving the Commission's decision. Such proceedings may be original or appellate. In any such case the liability of the Secretary is limited to costs.

6. NEW USES AND MARKETS

The House bill (sec. 202 (a)) authorizes not to exceed $10,000,000 of the sums made available under appropriations authorized by the bill for each fiscal year to be utilized by the Secretary for the establishment, equipment, maintenance, and administrative expenses of laboratories and other research facilities for research into and development of new, scientific, chemical, and technical uses and new and extended markets and outlets for farm commodities and products thereof; $1,000,000 of the fund is allocated to the Secretary of Commerce to be expended for the promotion of the sale of farm commodities and the products thereof in such manner as he shall direct. The sum available to the Secretary of Agriculture is to be available for such purposes, in such amounts, and for such work, carried on by the Department of Agriculture alone or by States and Territories and their agencies and subdivisions in cooperation with the Department, as the Secretary shall determine. No part of the sum is to be available for expenditure in any State or Territory in cooperation with such State or Territory or its agencies or subdivisions unless the State, Territory, agency, or subdivision has (heretofore or hereafter) appropriated not less than $250,000 for the establishment of physical facilities suitable for use in carrying out the section.

The Senate amendment (sec. 67 (a)) authorizes and directs the Secretary to establish, equip, and maintain four regional research laboratories for the development of industrial uses for agricultural products, to conduct at such laboratories researches into and development of new scientific, chemical, and technical uses and new and extended markets and outlets for farm commodities and products thereof. Such laboratories are to be known, respectively, as the Northeast Regional Farm Products Utilization Laboratory, the Mid-West Regional Farm Products Utilization Laboratory, the Western Regional Farm Products Utilization Laboratory, and the Southern Regional Farm Products Utilization Laboratory. The northeast region is to be composed of the States of Connecticut, Delaware, Maine, Massachusetts, New Hampshire, New Jersey, New York, Pennsylvania, Rhode Island, Vermont, and West Virginia. The midwest region is to be composed of the States of Illinois,

Indiana, Iowa, Kansas, Michigan, Minnesota, Missouri, Nebraska, North Dakota, Ohio, South Dakota, and Wisconsin. The western region is to be composed of the States of Arizona, California, Colorado, Idaho, Montana, Nevada, New Mexico, Oregon, Utah, Washington, and Wyoming. The southern region is to be composed of the States of Alabama, Arkansas, Florida, Georgia, Kentucky, Louisiana, Maryland, Mississippi, North Carolina, Oklahoma, South Carolina, Tennessee, Texas, and Virginia.

Each regional laboratory is to be established only if the State in which it is to be located provides suitable lands without expense to the United States, and the sum of $250,000 to defray the expenses of the construction of suitable buildings. The Secretary not later than 10 days after the enactment of the act must transmit to the Governor of each of the States in each of the farm regions information concerning the lands necessary to provide a suitable site for the laboratory. If on or prior to March 1, 1939, any of the States submit to the Secretary an offer to provide the lands and money required, with satisfactory guarantees of performance, the Secretary is to accept, from among the offers submitted from each region, the offer of the State in each region deemed by him most desirable for the location of the laboratory for that region. Upon the acceptance of the offer of any State, the Secretary is to accept in the name of the United States title to the land offered, and the money offered by the States is to be covered into the United States Treasury as a public fund to be used for the purposes described. A separate account is to be kept for each region (sec. 67 (b)).

The Secretary is authorized and directed to construct on the lands acquired, laboratories, suitable buildings, and appurtenances thereto at a cost not to exceed $250,000, and is authorized to acquire necessary equipment, apparatus, and supplies. He is further authorized to cooperate with other Federal agencies, and with State agencies, universities, experiment stations, and other agencies and institutions, and with other organizations, corporations, associations, societies, and individuals, upon such terms and conditions as he may prescribe (sec. 67 (c)).

Out of funds made available by the Senate amendment, not to exceed $2,000,000 is authorized to be utilized by the Secretary for the fiscal year ending June 30, 1939. One-fourth of this amount is to be allocated to each of the laboratories, and one-half of the amount allocated to each laboratory is to be used for furnishings and equipment of the laboratory. The other half, or so much thereof as may be necessary, is to be used for the operation, maintenance, and administrative expenses of the laboratory for the fiscal year ending June 30, 1939. For the fiscal year beginning July 1, 1939, and for each succeeding fiscal year, a sum of not to exceed $1,000,000 is authorized to be appropriated for operation, maintenance, and administrative expenses of the laboratories. One-fourth of this sum is to be allocated to each of the laboratories. Ten percent of the appropriations may be expended for administrative purposes in the District of Columbia (sec. 67 (d)).

The Secretary is further authorized to establish from time to time, as funds are provided other than funds available under the Senate amendment, additional units on land acquired under the amendment for expanding the facilities in any one or all of the laboratories. The additional units are to be used for research into any or all farm products or byproducts grown with any of the States comprising the region, where such products or byproducts offer promising possibilities for new and wider industrial outlets for such agricultural products (sec. 67 (e)).

The Secretary is directed in the Southern Regional Farm Products Utilization Laboratory, first, to conduct research with respect to chemical, physical, and physiological properites and utilization and preservation of cotton and its byproducts, and the collection, harvesting, preservation, and industrial utilization of whole cotton as a raw material for the manufacture of cellulose, cellulosic materials, and lignin and lignin derivatives, etc., with a view to development of wider uses of cotton by industry. The results of the research, experiments, investigations, tests, and demonstrations in all the laboratories are to be made public (sec. 67 (g)).

The conference agreement (sec. 202) requires the Secretary to establish, equip, and maintain four regional research laboratories. A laboratory is to be established in each major farm area. The research conducted is to be into new scientific, chemical, and technical uses and new and extended markets for farm commodities and their products and byproducts. The extension of markets is not to include dissemination of market information and reports. The research is to be devoted primarily to those commodities of which there are regular or seasonal surpluses.

Beginning with the fiscal year 1939 the Secretary is authorized out of whatever appropriations may be made under the act or out of Soil Conservation and Domestic Allotment Act appropriations, to use not to exceed $4,000,000 annually for the purpose. One-fourth of the sum is to be allotted to each of the laboratories.

The Secretary is given power to acquire land and other property for the laboratories, and to accept donations from any source and utilize voluntary and uncompensated services. Donations to any particular laboratory must be devoted to its use and not to others. The Secretary is given power to cooperate with Federal and State agencies and private research and scientific and other organizations. The Secretary is also required to submit an annual report of the activities and expenditures of each laboratory and of the donations made to it.

Out of sums appropriated under the act or from sums under the Soil Conservation and Domestic Allotment Act, $1,000,000 is allocated to the Secretary of Commerce for each fiscal year beginning after June 30, 1938, for the promotion of the sale of farm commodities. One hundred thousand dollars of the fund for the fiscal year 1939 is to be devoted to a survey of causes of reduction in exports of American farm commodities and of methods by which sales to foreign countries may be increased (sec. 202 (f)).

Both the House bill (sec. 202 (b)) and the Senate amendment (sec. 67 (f)) make it the duty of the Secretary to utilize available funds to stimulate and widen the use of farm products and to increase the flow of such products in world markets. This provision is retained in the conference agreement (sec. 202 (g)).

7. AMENDMENTS TO SECTION 32

The House bill (sec. 203) amends section 32 of the act entitled "An act to amend the Agricultural Adjustment Act, and for other purposes" by omitting the prohibition on the use of funds therein appropriated for the payment of benefits in connection with the exportation of unmanufactured cotton. Section 32 is further amended by adding to it a provision providing that after June 30, 1939, not more than 25 percent of the funds made available by section 32 shall be devoted during any fiscal year to any one agricultural commodity or the products thereof. The Senate amendment does not contain comparable provisions. The conference agreement (sec. 203) adopts the House provision with clarifying changes.

8. CONTINUATION OF FEDERAL SURPLUS COMMODITIES CORPORATION

The House bill (sec. 204) continues the Federal Surplus Commodities Corporation as an agency of the United States without limitation as to time.

The Senate amendment does not contain any comparable provision.

The conference agreement (sec. 204) continues the Corporation as an agency until June 30, 1942, and requires an annual report of its activities, receipts, and expenditures.

9. LOANS ON AGRICULTURAL COMMODITIES

The House bill (sec. 221) authorized the Commodity Credit Corporation, upon recommendation of the Secretary and with the approval of the President, to make loans on agricultural commodities (including dairy products). The amount, terms, and conditions of the loans were to be fixed by the Corporation with the approval of the Secretary and the President.

The Senate amendment (sec. 5 (a)) provides for the making of loans on agricultural commodities by the Surplus Reserve Loan Corporation created under the amendment.

Section 5 (a) of the Senate amendment provides the terms of loans upon wheat and corn produced for market. These loans are mandatory. In the case of corn the rate of loans is fixed under a schedule and in accordance with the relationship of total supply to normal supply. (Under the Senate amendment "normal supply" is a normal year's domestic consumption and exports plus 5 percent; "total supply" is carry-over plus estimated production of the current year.) The loan rate varies from 85 percent of parity when the total supply is 100 percent of normal supply to 52 percent of parity when the total supply is 114 percent or more of the normal supply. The rate on wheat loans ranges (but not in accordance with a prescribed schedule of relationships to any factor) from 52 percent to 85 percent (inclusive) of parity. Wheat loans and corn loans can be made only to cooperators; that is, to persons who have entered into adjustment contracts provided for in the amendment. An exception, applicable to corn only, directs the Corporation to make loans to noncooperators when farm marketing quotas are in effect on their stock of the crop in excess of their farm marketing quotas. Such loans are to be at a rate of 70 percent of the rate of loans to cooperators. Loans on wheat and corn are to be made only on the security of stocks insured and stored under seal.

Section 5 (b) of the Senate amendment authorizes the Corporation to make loans on all other agricultural commodities. Such loans are to be made only on the security of stocks insured and stored. The amount, terms, and conditions of such loans are to be fixed by the Corporation, taking into account maintenance of foreign outlets and the effect of prospective production on the value of the stock held or to be acquired as security.

Section 5 (c) of the Senate amendment contains a provision, applicable to all commodities on which loans may be made, under which they shall be deemed stored under seal only if stored in such places as conform to requirements prescribed by the Secretary.

Under section 5 (d) of the Senate amendment loans are not to be available on cotton, wheat, corn, tobacco, or rice from the time the results of a referendum for marketing quota purposes are announced, if the vote is against the quota, until the beginning of the second succeeding marketing year.

The conference agreement (sec. 302) provides that the loans are to be made by the Commodity Credit Corporation upon recommendation of the Secretary and with the approval of the President. The general authority to make loans contained in the House bill is retained. The amounts, terms, and conditions of the loans are to be fixed by the Secretary with the approval of the Corporation and the President. This statement is subject to exceptions in cases in which the bill fixes rates, amounts, and terms of loans which may not be varied.

Mandatory loans are provided for on wheat in a marketing year if on July 15 the farm price of wheat is below 52 percent of parity or the July crop estimate is in excess of a normal year's domestic consumption and exports. Loans are then to be made to cooperators at not less than 52 percent and not more than 75 percent of parity price as of the beginning of the marketing year. Loans

shall be made to noncooperators if marketing quotas are in effect for the marketing year. These loans are at rates equal to 60 percent of the rate to cooperators and may be made only on the wheat of a noncooperator which is subject to marketing quota restrictions.

Similarly, mandatory loans are made on cotton if on August 1 the average price on the 10 markets of seven-eighths middling spot cotton is below 52 percent of parity or the August crop estimate for cotton is in excess of a normal year's domestic consumption and exports. The rates are to be not less than 52 percent and not more than 75 percent of parity price for cotton at the beginning of the marketing year. These rates apply to loans to cooperators. If marketing quotas are in effect for the marketing year, loans are to be made to noncooperators at 60 percent of the rate to cooperators. Such loans may be made only on the amount subject to marketing quota restrictions.

Mandatory loans are provided for on corn during any marketing year when the November crop estimate is in excess of a normal year's domestic consumption and exports or if at the beginning of the marketing year the farm price of corn is below 75 percent of parity price. The rates of the loans are specified and range from 75 percent of parity to 52 percent of parity. In general, it can be said that the rate is lower as the supply increases. These are the rates applicable to cooperators in the commercial corn-producing area. Loans to noncooperators in the commercial corn-producing area shall be made when marketing quotas are in effect, but only on corn stored under seal in compliance with the storage requirements of the bill. The rate in such cases is 60 percent of the rate to cooperators. Loans shall be made to cooperators outside the commercial corn-producing area at 75 percent of the rate of loans to cooperators within the commercial corn-producing area.

The Secretary is given the power to modify the rate of loans on commodities above or below standard so as to reflect differences from standard.

Cooperators are producers on whose farms the acreage planted does not exceed the applicable amount under the farm acreage allotment of the marketing quota provisions. In the case of a producer outside the commercial corn-producing area, he is a cooperator if his acreage planted to soil-depleting crops does not exceed his acreage allotment for such crops under the Soil Conservation and Domestic Allotment Act. A producer is deemed to have exceeded his acreage allotment only if he knowingly did so.

Loans are not to be made on a commodity after an adverse referendum on marketing quotas with respect to the commodity until the beginning of the second succeeding marketing year following the vote.

Provision is made under which no producer is to be personally liable for deficiencies arising out of sale of the collateral unless the loan was obtained by fraudulent misrepresentation.

The Commodity Credit Corporation is directed, with the consent of the Secretary, to utilize the services, facilities, and personnel of the Department of Agriculture in carrying out the loan provisions.

10. CONSUMER SAFEGUARDS

The House bill (sec. 222) provides that powers under the bill shall not be used to discourage the production of supplies of food and fiber sufficient to maintain normal domestic consumption as determined by the Secretary from the records for such consumption in 1920–29, taking into consideration increased population, quantities forced into domestic consumption because of decline in exports, current trends in domestic consumption and exports, and substitutes available. Due regard is to be given, in carrying out the bill, to the maintenance of a continuous and stable supply of agricultural commodities adequate to meet consumer demand at prices fair to both producers and consumers.

Section 7 of the Senate amendment provides for consumer safeguards. The Secretary is required whenever the current average price of cotton, wheat, corn, tobacco, or rice is proclaimed to be more than 10 percent above parity to (1) call surplus reserve loans on the commodity; (2) release stocks stored under seal; (3) release stocks held under marketing quota restrictions; (4) dispose of stocks acquired by the Surplus Reserve Loan Corporation. The Secretary is to take these steps to the extent necessary to stabilize the current average price at parity. Stocks acquired by the Corporation, if current average price does not exceed parity, may be disposed of only for human relief, export, or surplus reserve purposes.

The conference agreement (sec. 304) adopts the House provision.

11. ADJUSTMENT CONTRACTS (CORN AND WHEAT)

Section 3 of the Senate amendment requires the Secretary to tender adjustment contracts to farmers who produce corn or wheat for market. There is no comparable provision in the House bill. Corn or wheat is deemed produced for market (and so the farmer is eligible to be tendered and to accept an adjustment contract) in all cases except two. First, when the amount of corn or wheat produced and consumed annually on the farm is more than 75 percent of the aggregate normal yield of the farm's base acreage for the commodity. (The base acreage for each farm for wheat is ascertained by dividing up among all wheat farmers a national base acreage of 67,400,000 acres. Similarly, in the case of corn, a national base acreage of 102,450,000 is divided. See discussion below under 14, Base acreage for wheat and corn.) Second, whenever the aggregate normal yield of the soil-depleting base acreage of the farm is less than 300 bushels in the case of corn, or 100 bushels in the case of wheat, but in either such case the acreage devoted to the commodity must not exceed the base acreage for that commodity. Even if the aggregate normal yield of the base acreage is less than 300 bushels of corn or 100 of wheat, and if 25 percent or more of the aggregate yield is marketed, the farmer may become a cooperator, and so eligible to be tendered an adjustment contract, by indicating his desire to do so to the Secretary (sec. 3 (f)).

Contracting farmers who produce wheat or corn are eligible for Soil Conservation Act payments, surplus reserve loans (see discussion under surplus reserve loans), and parity payments (see discussion under parity payments) (sec. 3 (b)).

The first adjustment contracts are to cover wheat and corn planted for harvest in 1938. They are to be tendered to farmers not later than June 1, 1938.

For years subsequent to 1938 new contracts are to be prepared for such periods (not to exceed 2 years) as the Secretary determines.

Only one contract may be in force for the same period and it must apply to both wheat and corn.

A general limitation provides that adjustment contracts shall not be in effect unless 51 percent of the farmers to whom contracts are required to be tendered have signed them. For 1938 contracts, the date prior to which 51 percent must have signed is June 1; for contracts applicable to succeeding years, the date is January 1 of that year (sec. 3 (d)).

In preparing adjustment contracts, the Secretary is to take into consideration and protect the interests and equities of tenants, landowners, and sharecroppers (sec. 3 (e)).

Contracting farmers who produce wheat or corn are eligible for surplus reserve loans (see discussion under surplus reserve loans), and parity payments (see discussion below under "12. Parity Payments") (sec. 3 (b)).

If a farmer is eligible to enter into an adjustment contract, Soil Conservation Act payments are to be made to him only if he has entered into such a contract (sec. 4). In lieu of Soil Conservation Act payments with respect to wheat and corn produced for market, cooperators are to get parity payments. If the farmer is eligible to become a cooperator, but produces no wheat or corn for market, he is not to be denied Soil Conservation Act payments, notwithstanding his failure to enter into an adjustment contract, if he devotes to soil-conserving uses the acreage customarily devoted to wheat or corn.

Adjustment contracts require the cooperator to divert acreage from wheat or corn and to store a stated percentage of the commodity under seal (see discussion under "13. Ever-normal granary and acreage diversion").

The House bill contained no comparable provisions. The conference agreement does not provide for adjustment contracts.

12. PARITY PAYMENTS

Section 6 of the Senate amendment provides for parity payments in the case of wheat, corn, and cotton. There is no comparable provision in the House bill.

The Secretary is authorized to make parity payments in the case of each such commodity promptly following the close of the marketing year for the commodity (sec. 6 (a)). The first year with respect to which payments may be made is the marketing year ending in 1938 (sec. 6 (d)). The payments are to be made only to cooperators who are engaged in producing the commodity for market. They are to be in lieu of payments with respect to the commodity under the Soil Conservation and Domestic Allotment Act (sec. 6 (a)).

The rate of payment in the case of each commodity is determined in accordance with a schedule of relationships between total supply and normal supply. (Under the Senate amendment "normal supply" is a normal year's domestic consumption and exports plus 10 percent in the case of wheat, 5 percent in the case of corn, and 35 percent in the case of cotton; "total supply" is carry-over plus estimated production of the current year.) The payment rate varies from 15 percent of parity when the total supply is 10 percent of the normal supply to 30 percent of parity when the total supply is 114 percent or more of normal supply. A different rule for computing parity payments is provided by section 6 (b) where the difference between the current average farm price and the maximum income rate (as set forth in the schedule) is less than the applicable parity payment rate. The maximum income rate ranges from 100 if the total supply is 100 percent or less of the normal supply to 82 when the total supply is 114 percent or more of the normal supply. In case the difference between the current average farm price and the amount computed by applying to the parity price the applicable percentage found in the maximum income-rate column of schedule A is less than the amount computed by applying to the parity price the applicable percentage found in the parity-payment-rate column of schedule A, the rate payment is to equal such difference. Since the rates of payment depend upon the relationship between total supply and normal supply, a situation would be possible in which the total supply was excessive and at the same time the current average farm price near parity. The maximum income-rate provisions so operate that in the situation described the farmer will get a payment which, when added to the current average farm price, will in no case exceed parity. In every case but one such payment will result in the farmer's receiving less than parity.

Section 64 (e) of the Senate amendment provides that notwithstanding any other of its provisions, if the aggregate of parity payments payable under schedule A for any marketing year are estimated by the Secretary to exceed the sum appropriated for such payments for such year, all such payments are to be reduced pro rata so that the estimated aggregate amount of such payments will not exceed the funds available for such payments.

Section 64 (f) provides that parity payments may be made, subject to the consent of the farmer, in the form of the commodity with respect to which the payment is made, in such amounts as the Secretary determines are equivalent to money payments at the rates determined under schedule A.

The quantity of the production of the farm on which payment is made in the case of wheat and corn is the aggregate normal yield of the soil-depleting base acreage planted to the commodity during the year just closed. If the acreage devoted is more than 90 percent but not more than 100 percent of the permitted acreage, the cooperator is conclusively presumed to have devoted 100 percent of the permitted acreage to production. In the case of cotton the payment is made on the basis of the quantity of cotton produced on the farm. If marketing quotas are in effect on cotton, each farmer is considered a cooperator unless he knowingly fails to comply with his cotton quota allotment (sec. 6 (a)).

The conference agreement provides that if and when appropriations are made for this purpose, the Secretary is to make parity payments to producers of corn, wheat, cotton, rice, and tobacco.

Payments, if made, are to be made on the producer's normal production of the commodity in amounts, together with the proceeds from the commodity, which will provide a return as nearly equal to parity price as the funds will permit. Provision is made that the amounts apportioned to the several commodities will be apportioned in proportion to the amount by which they fail to reach parity income.

13. EVER-NORMAL GRANARY AND ACREAGE DIVERSION (WHEAT AND CORN)

Section 9 of the Senate amendment provides for acreage diversion and storage requirements in the case of wheat and corn. These requirements are independent of any marketing quotas on wheat or corn. There are no comparable provisions in the House bill.

Acreage diversion and storage are required only of cooperators, and provision is made by which these requirements are a part of the adjustment contract.

The Secretary is required, after he has proclaimed the total supply of the commodity, to establish and proclaim the ever-normal granary for the year. Ever-normal granary is defined (sec. 61 (a) 13) as a supply adequate for a surplus reserve and is not more than 110 percent of a normal supply. Normal supply is 110 percent in the case of wheat and 105 percent in the case of corn of a normal year's consumption and exports. The Secretary also ascertains and proclaims the percentage, if any, of acreage diversion for the year. No ever-normal granary is to be established for wheat or corn for any year if the Secretary has reason to believe that during the first 3 months of the marketing year the current average farm price will exceed parity. The percentage of acreage to be diverted is the percentage of the national soil-depleting base acreage which the Secretary finds is necessary to be diverted in order to effectuate the declared policy of the act. In no event is the percentage to be so great that the total supply at the end of the marketing year is likely to be less than the normal supply. In no event is the percentage to be diverted from any type of wheat to be so great that the total supply of that type will be less than the domestic consumption of the type during the marketing year (sec. 9 (a)).

The cooperator is required by his adjustment contract to divert from his production the same percentage of his soil-depleting base acreage as the percentage of the national base which is proclaimed by the Secretary. The cooperator is also required to engage in such soil-maintenance, soil-building, and dairy practices with respect to the soil-depleting base acreage as the contract requires (sec. 9 (b)).

The adjustment contract also requires the cooperator to store under seal up to not exceeding the normal yield of 20 percent of his soil-depleting base acreage for wheat or corn. This happens only if the Secretary determines that storage is necessary to carry out the declared policy. It cannot be required if the Secretary has reason to believe that during the ensuing 3 months the current average farm price will be more than parity. The period of storage is the whole marketing year or such shorter period as the Secretary prescribes. Cooperators are entitled to surplus reserve loans on the stock stored (sec. 9 (c)).

Production on acreage in excess of base acreage or failure to divert when required deprives a cooperator of his status as a cooperator and deprives him of surplus reserve loans and parity payments. In determining these facts, wheat and corn are considered one commodity (sec. 9 (d)).

The conference agreement contains no express provisions relating to ever-normal granary or acreage diversion. The effect of the amounts fixed for marketing is to provide a normal supply and to result in there being diversion of acreage in order to keep within quotas.

14. BASE ACREAGES FOR WHEAT AND CORN

Section 8 of the Senate amendment provides for National, State, and farm base acreages for wheat and corn. These acreages furnish the acreage basis upon which the parity payment and acreage diversion provisions operate in the Senate amendment. There is no comparable provision in the House bill.

Section 8 (b) establishes a national soil-depleting base acreage of 67,400,000 acres for wheat and 102,500,000 acres for corn. These amounts are allotted by the Secretary among the several States on the basis of acreage devoted to production during the previous 10 years plus, in applicable years, the net acres diverted under adjustment and conservation programs, with adjustments for abnormal weather conditions and trends in acreage during the period. A similar allotment of the State acreage is made among the administrative areas in the State and adds to the standards for adjustment one for the promotion of soil-conservation practices. This last adjustment cannot exceed 2 percent of the total allotment to the local area (sec. 8 (c)).

The local allotment, after deducting the acreage devoted to production on farms on which wheat or corn is not produced for market, is allotted to farms in the locality. This is done through the local committees. The farm allotments are to be equitably adjusted among the farms according to tillable acreage, type of soil, topography, and production facilities (sec. 8 (d)).

The base acreage provisions apply to persons whether or not they are cooperators.

There are no comparable provisions in the House bill or in the conference agreement except to the extent that in the case of corn, wheat, and cotton, national acreage allotments are provided which will meet the requirements for marketing.

MARKETING QUOTAS—TOBACCO

Both the House bill and the Senate amendment contain a statement of the effect of the marketing of tobacco in interstate and foreign commerce. The statement in the House bill and the Senate amendment is the same except that the Senate amendment uses the expression "interstate or foreign commerce" whereas the House bill used the expression "interstate and foreign commerce." The conference agreement uses the expression "interstate and foreign commerce."

The House bill (sec. 302) declared it to be the policy of Congress to promote the maintenance of an adequate and balanced flow of tobacco in interstate and foreign commerce, to provide a reserve supply, and to establish, so far as practicable parity of income for farmers marketing tobacco. The Senate amendment did not contain any similar provision. The conference agreement omits this declaration of policy.

Both the House bill and the Senate amendment divided the various kinds of tobacco into separate classifications, and the marketing quota provisions were to apply to each of the kinds severally. The House bill treated fire-cured tobacco and dark air-cured tobacco as separate kinds, whereas the Senate amendment treated them as one kind. The conference agreement treats them as one kind.

The House bill omitted type 41 tobacco from the types comprising cigar-filler and cigar-binder tobacco. The Senate amendment included this type in cigar-filler and cigar-binder tobacco. The conference agreement treats type 41 as a separate kind of tobacco, and provides that marketing quotas are not to be effective with respect to type 41 prior to the marketing year beginning in 1940.

The House bill provided that upon a finding by the Secretary on November 15 that the total supply of tobacco as of the beginning of the marketing year exceeded the reserve supply level, marketing quotas were to be in effect during the marketing year next following. The Senate amendment provided that upon a finding by the Secretary on November 15 that the total supply of any type of tobacco as of the beginning of the marketing year exceeded the reserve-supply level, marketing quotas were to be in effect during the marketing year next following. The conference agreement limits the finding to kinds of tobacco instead of types of tobacco, and makes several clarifying changes.

In both the House bill and the Senate amendment the reserve supply level is the same.

In the case of burley tobacco and fire-cured tobacco, the Senate amendment contained special provisions for marketing quotas. The Senate amendment provided that whenever in the case of burley tobacco, or fire-cured tobacco, respectively, the total supply proclaimed by the Secretary exceeded the reserve supply level by more than 7 percent, and a national marketing quota was not in effect for the marketing year in which the proclamation was made, marketing quotas were to be in effect from December 1 to the end of such marketing year. The conference agreement also contains special provisions relating to burley tobacco and fire-cured tobacco. The effect of the conference agreement is the same as the Senate amendment in this respect except that (1) the special provisions apply to fire-cured and dark air-cured tobacco (in conformity with the action previously described respecting kinds of tobacco), (2) the provisions operate when the total supply exceeds the reserve supply level by more than 5 percent instead of 7 percent, (3) the provisions are not to apply to the marketing year beginning October 1, 1937, and (4) the quota is to be in effect from the date of the proclamation instead of from December 1.

Under the House bill, the Senate amendment, and the conference agreement, the Secretary is to specify the amount of the national marketing quota in terms of the quantity of tobacco which may be marketed. This amount is an amount which will make available for the marketing year for which the quota is in effect a supply of tobacco equal to the reserve supply level.

The House bill, the Senate amendment, and the conference agreement, provide that within 30 days after the quota proclamation the Secretary is to conduct a referendum. The House bill and the Senate amendment provided that the referendum should be conducted among farmers (and in the House bill, all farmers) who would be subject to the quotas. The conference agreement makes a clarifying change in this provision. Under the conference agreement, the farmers who are eligible to vote in the referendum are those who were engaged in the production of the crop harvested prior to the holding of the referendum. The requirement

of the House bill that the Secretary conduct a referendum among all the farmers is omitted from the conference agreement for administrative reasons. A referendum should not be subject to being held invalid because the Secretary, although exercising utmost diligence, which of course he is required to exercise, did not ascertain that a particular farmer was engaged in the production of the crop harvested prior to the holding of the referendum. The House bill contained a provision that the referendum should be by secret ballot. The Senate amendment did not contain any comparable provision. The conference agreement has the same effect as the Senate amendment in this respect.

In conformity with the action (described above) with respect to burley tobacco and fire-cured and dark air-cured tobacco, the conference agreement provides for voting separately with respect to each quota, the one for the current marketing year and the one for the next marketing year.

If more than one-third of the farmers voting in the referendum oppose the quota, the Secretary is to so proclaim prior to January 1, and the quota is not to be effective thereafter. This provision is found in the House bill, the Senate amendment, and the conference agreement.

The House bill, the Senate amendment, and the conference agreement contain special provisions in connection with the determination and proclamation of any marketing quota for the 1938–39 marketing year. Inasmuch as the data for the quota proclamation for the marketing year 1938–39 provided for in the House bill and the Senate amendment had already expired, the conference agreement provides that such quota proclamation shall be made within 15 days following the date of the enactment of the act, and the proclamation of the result of the referendum made within 45 days following such date of enactment.

Under the conference agreement, the national marketing quota, for tobacco (less the amount to be allotted to new farms and for increasing allotments to small farms) is to be apportioned by the Secretary among the several States on the basis of the total production of tobacco in each State during the 5 calendar years preceding the calendar year in which the quota is proclaimed (plus in applicable years the normal production of the acreage diverted under previous agricultural adjustment and conservation programs). Necessary adjustments for abnormal conditions of production, for small farms, and for trends in production, due consideration being given to seedbed and other plant diseases, are to be made. The marketing quota for flue-cured tobacco for any State is not to be reduced to a point less than 75 percent of the production of flue-cured tobacco in such State for the year 1937. The conference agreement differs from the House bill in the following respects: (1) There was no provision in the House bill for consideration to be given to seedbed and other plant diseases in making adjustments in the allotment to a State, and (2) there was no provision in the House bill for not reducing the quota for any State below 75 percent of the State's 1937 production. The conference agreement differs from the Senate amendment in only one respect: The Senate amendment provided that the quota for any State should not be reduced below 80 percent of the State's 1937 production.

Under the House bill (sec. 305 (b)) the Secretary was to provide, through the local committees, for the allotment of the quota for any State (less the amount for new farms and for increasing allotments to small farms) among farms on which tobacco is produced on the basis of past marketing of tobacco, crop-rotation practices, the soil and other physical factors affecting the production of tobacco, and the needs of the family for which the allotment is made. The allotment to any farm under these provisions was not to be less than the smaller of (1) 3,200 pounds in the case of flue-cured tobacco, and 2,400 pounds in the case of other tobaccos, or (2) the average tobacco production for the farm during the preceding 3 years, adjusted upward if necessary, so as to equal the normal production of the highest tobacco acreage grown on the farm in such year plus any tobacco acreage diverted under agricultural adjustment and conservation programs during any of such preceding 3 years. The comparable provisions of the Senate amendment were the same, except that (1) due allowance was to be made for drought, flood, hail, other abnormal weather conditions, plant bed and other diseases; (2) there was no provision for making the needs of the family one of the bases for allotment. The conference agreement follows the provisions of the Senate amendment, except that in connection with the minimum allotment to any farm the provisions for adjusting the average tobacco production for the farm for the preceding 3 years upward is omitted, and in lieu thereof provision is made for adding to such average production the average normal production of any tobacco acreage diverted during such 3 years under previous programs.

The House bill (sec. 305 (c)) provided for the allotment of not in excess of 5 percent of the national marketing quota to new farms and for increasing allotments to small farms receiving the minimum allotment described above. Such allotments were to be made on the basis of land, labor, and equipment available for the production of tobacco, crop-rotation practices, and the soil and other physical factors affecting the production of tobacco. The allotment to new farms was not to exceed 75 percent of the allotment to farms which were similar with respect to land, labor, and equipment available for the production of tobacco, crop-rotation practices, and the soil and other physical factors affecting the production of tobacco. The Senate amendment contains provisions similar to those above described, except that it makes clear that the allotment to new farms is to be made whether or not the State in which the farm is situated has a State quota. The conference agreement follows the provisions of the Senate amendment.

The House bill, Senate amendment, and conference agreement contain a provision that farm marketing quotas may be transferred only in such manner and subject to such conditions as the Secretary may prescribe by regulations.

The provision in the House bill and the Senate amendment relating to the adjustment and suspension of quotas with respect to tobacco is carried in the conference agreement as a general provision applicable to the quotas with respect to each of the commodities. The same thing is true of the provision in the House bill and the Senate amendment relating to the power of the Secretary to terminate a quota because of a national emergency or because of material increase in export demand.

The House bill provided that the marketing of any tobacco in excess of the marketing quota for the farm on which the tobacco was produced was subject to a penalty of 50 percent of the market price of the tobacco on the date of the marketing or if the following rates were higher, 3 cents per pound in the case of flue-cured, Maryland, or burley, and 2 cents per pound in the case of all other kinds of tobacco. The penalty was to be paid by the person who acquired the tobacco from the producer, but the buyer was required to deduct an amount equivalent to the penalty from the purchase price in case the tobacco was marketed by sale. If the tobacco was marketed through a warehouseman or other agent, the penalty was to be paid by the warehouseman or agent who was required to make such deduction. If the tobacco was marketed to any person outside the United States, the penalty was to be paid by the producer. All penalties were to accrue to the United States and be remitted to the Secretary. The comparable provisions of the Senate amendment were the same as the provisions of the House bill except that (1) tobacco marketed for nicotine or other by-product uses was exempted from penalty, and (2) the buyer or warehouseman, as the case may be, was authorized to deduct an amount equivalent to the penalty from the purchase price instead of being required to make the deduction. The conference agreement follows the provisions of the Senate amendment, except that the provision for the penalty accruing to the United States and being remitted to the Secretary is carried in the conference agreement as a general provision applicable to all of the five commodities. The same thing is true of the provisions of the House bill and the Senate amendment relating to the requirement of reports and records, the provision relating to the jurisdiction of the district courts to specifically enforce the provisions relating to tobacco, the provision requiring information acquired by the Secretary to be kept confidential, and the provision directing the Secretary to prescribe rules and regulations with respect to the time and manner of payment of penalties, with respect to the identification of marketings, and such other regulations necessary for the enforcement of the penalties section.

16. MARKETING QUOTAS—FIELD CORN

Under the marketing-quota provisions of the House bill with respect to field corn the Secretary in each year before planting time announced the region which, under the rule laid down in the bill, constituted the commercial corn-producing area. Under the House bill the commercial corn-producing area included all counties in which the average production of field corn during the 10 calendar years immediately preceding the calendar year in which the area is determined, after adjustment for abnormal weather conditions, was 400 bushels or more per farm and 4 bushels or more for each acre of farm land in the county. The Secretary was given power, under very definite standards, to include counties within, and exclude counties from, the commercial corn-producing area.

The Secretary, before planting time, also determined, on the basis of the average yield per acre in such area, the number of acres which, if planted to field corn in such area, would produce an amount of field corn which, together with the estimated production outside such area, would equal the reserve supply level. The reserve supply level was defined in the House bill to be a normal year's domestic consumption and exports, plus 15 percent thereof, to insure adequate supplies in years of drought, flood, or other adverse conditions, as well as in years of plenty. After determining such acreage the Secretary allotted it to the various counties in the commercial corn-producing area in accordance with the standard laid down in the bill. The county allotment was then apportioned by the Secretary, through the local committee, to farms within the county on the basis of tillable acreage, type of soil, crop-rotation practices, topography, and production facilities. The acreage allotted to a farm was known as the farm-acreage allotment.

Whenever the Secretary determined in any year from the statistics of the Department, including the August production estimates of the Division of Crop and Livestock Estimates of the Bureau of Agricultural Economics, that the total supply of field corn as of October 1 of such year would exceed the normal supply by more than 15 percent, he so announced, and thereupon marketing quotas were to be in effect in the commercial corn-producing area with respect to crop of field corn grown in such area in such year.

In his announcement the Secretary specified, in terms of a percentage of the acreage allotment, the acreage in the commercial corn-producing area which, on the basis of the estimated yield, would make available, for the marketing year beginning on such October 1, a supply of field corn which, when added to the estimated production outside such area, would equal a normal supply. The

percentage thus specified was spoken of throughout the corn provisions of the House bill as the "marketing percentage." The acreage not used as silage in excess of the marketing percentage of the farm acreage allotment is spoken of as "surplus acres."

A farmer wishing to know how much field corn he might market from his farm had to know (1) his farm acreage allotment, (2) the marketing percentage specified in the Secretary's quota announcement, (3) the number of acres which he had planted to field corn, (4) his normal yield per acre, and (5) the number of acres of field corn which he used for silage.

Under section 323 of the House bill, the farm marketing quota, i. e., the amount which the farmer might market from the farm, was the actual production of his acreage not used as silage less the storage amount applicable to his farm. Section 324 contained the rules for computing the storage amount applicable to the farm.

If acreage planted to field corn not used as silage exceeded the marketing percentage of the farm acreage allotment, the storage amount was the normal production of the surplus acres.

To prevent hardship in the case of farmers whose actual yield was below their normal yield, the House bill provided that in no case should the storage amount exceed the difference between the estimated total production of field corn not used as silage on the farm and the normal production of the marketing percentage of the farm acreage allotment.

Under the House bill no farm marketing quota with respect to field corn was applicable to any farm where the normal production of the acreage planted to field corn was less than 400 bushels. No farm marketing quota, with respect to field corn, was applicable to any farm where the storage amount for the farm would be less than 100 bushels. No farm marketing quota with respect to field corn was applicable to any farm where the acreage of corn not used as silage did not exceed the marketing percentage of the farm acreage allotment.

The Secretary was required to make his quota announcement not later than August 15 of the year in which the quota was to go into effect.

The House bill provided that whenever it appeared from the September production estimates of the Division of Crop and Livestock Estimates of the Bureau of Agricultural Economics of the Department that the total supply of field corn as of October 1 would be less than the normal supply plus 15 percent thereof, the Secretary must announce such fact prior to September 20; and if farm marketing quotas had been announced, such quotas thereupon became ineffective.

Within 20 days after the announcement of quotas with respect to field corn, the Secretary was required to conduct a referendum. If more than one-third of the farmers voting opposed the quota, the quota was not to become effective.

The House bill provided that any farmer who, while any marketing quota was in effect with respect to any crop of field corn, marketed any field corn from such crop in excess of his farm marketing quota, was subject to a penalty for the excess so marketed at the rate of 15 cents per bushel. A farmer was presumed to have complied with his farm marketing quota with respect to any crop of field corn as long as there was stored under seal on his farm an amount of field corn equal to the applicable storage amount. If there was not stored under seal on the farm an amount of field corn equal to the applicable storage amount, the farmer was presumed to have marketed field corn in excess of his quota to the extent that the amount stored was less than the applicable storage amount. In an action brought to collect the penalties the farmer had the burden of proving that he did not market field corn in excess of his quota.

Under the House bill the Secretary had the power to terminate quotas on field corn or increase quotas and decrease storage amounts in circumstances such as those outlined generally in the case of tobacco. In addition, in the case of field corn, release of storage amounts was provided for within counties or areas and on farms under circumstances where it could be said that there was an inadequate supply in the county or area, or on the farm, for feeding or for market. These provisions were designed to provide an ever-normal supply for the county, area, or farm.

Under the House bill the Secretary was required to ascertain and announce the total supply, the normal supply, and the reserve supply level for a marketing year, not later than September 1 of the calendar year in which the marketing year began. The Secretary was required to ascertain and announce the commercial corn-producing area not later than February 1 of each year.

Under the marketing quota provisions with respect to corn of the Senate amendment, whenever on September 1 the Secretary has reason to believe that the total supply of corn as of October 1 will exceed the normal supply by more than 10 percent, he is to hold hearings at convenient places within the areas where corn is produced to ascertain the facts with respect to total supply. If the Secretary determines on the basis of the hearings that the total supply will exceed the normal supply by the percentage above specified, he is to proclaim the amount of the total supply and that beginning on the fifteenth day after the date of the proclamation, a national marketing quota is to be in effect with respect to the current crop. No proclamation is to be issued with respect to such crop if the Secretary has reason to believe that during the first 3 months of the marketing year the current average farm price for the commodity will be more than the parity price. The Senate amendment defines a normal supply of corn to be a normal year's domestic consumption and exports of corn plus 5 percent thereof as an allowance for a normal carry-over. The Secretary is to specify in the proclamation the amount of the national marketing quota both in terms of the quantity which may be marketed and in terms of a percentage of the soil-depleting base acreage for the commodity. The Senate amendment defines marketing so far as the term relates to corn (except in the case of corn normally used for ensilage) to be disposition by sale, barter, exchange, or gift, or by feeding (in any form) to livestock which, or the products of which, are to be sold, bartered, exchanged, or given away.

The Senate amendment provides a national soil-depleting base acreage for corn of 102,500,000 acres. Such acreage is to be allotted to the States, counties, and farms in accordance with the rule provided in the Senate amendment.

The amount of the national marketing quota for corn is to be so fixed as to make available during the marketing year at least a normal supply, and in no event is it to be less than the normal supply minus the carry-over and minus the quantity not produced for market. It is not to be greater than the ever-normal-granary supply level similarly adjusted.

Between the date of the quota proclamation and the effective date of the quota the Secretary is to conduct a referendum. If more than a third of the farmers voting oppose such quotas, the Secretary is to suspend the operation of the quota with respect to the current crop.

The Senate amendment provides that the Secretary shall provide, through the State, county, and local committees, for farm marketing quotas for each farm on which the farmer is engaged in producing corn for market. The amount of the farm marketing quota for any farm is to be the amount of the current crop produced on the farm less the amount consumed on the farm and used for seed, and less the normal yield of the acreage planted to corn in excess of the percentage of the base acreage specified in the quota proclamation. In no event is the farm marketing quota for any farm to be less than the normal yield of half the soil-depleting base acreage for the farm. Under the Senate amendment corn is deemed consumed on the farm only if consumed by the farmer's family, employees, or household, or by his work stock, or if fed to poultry or livestock on his farm, only if such poultry or livestock, or the products thereof, are to be consumed by his family, employees, or household. Corn used as ensilage is also deemed consumed on the farm to the extent of the amount normally so used on the farm.

The Senate amendment declares it to be an unfair agricultural practice for any farmer to market corn in excess of his farm marketing quota unless prior to such marketing the Secretary has released the commodity from marketing quota restrictions or unless the farmer has absorbed such excess marketing by diverting from the production of corn an acreage the normal production of which equals or exceeds such excess marketing. It is declared to be a violation of law for a farmer to engage in any unfair agricultural practice that affects interstate or foreign commerce. For each such violation the farmer is liable to pay a penalty of 25 percent of the parity price for the commodity as proclaimed at the beginning of the marketing year. The penalties are to accrue to the United States and be payable to and collected by the Secretary.

Provision is made in the Senate amendment for the collection of the penalties in civil suits brought by the district attorneys under the direction of the Attorney General.

The provisions of the Senate amendment with respect to corn, relating to reports and records, relating to farmers' making reports of their acreages, etc., relating to the Secretary's keeping information acquired by him confidential, and relating to the power of the Secretary to increase quotas in case of national emergency or material increase in export demand are discussed below.

If the total supply as proclaimed by the Secretary within 45 days after the beginning of the marketing year for corn is less than that specified in the quota proclamation, the Senate amendment provides for increasing the quotas accordingly.

Under the marketing quota provisions of the conference agreement with respect to corn whenever the Secretary finds that the total supply of corn as of October 1 of any year will exceed the normal supply by more than 10 percent, marketing quotas are to be in effect in the commercial corn-producing area for the current crop of corn, and are to remain in effect until terminated either by the Secretary in accordance with the various provisions for termination of the quotas or by an unfavorable referendum either in the current year or some subsequent year.

Under the conference agreement the commercial corn-producing area is defined to include all counties in which the average production of corn (excluding corn used as silage) during the 10 calendar years immediately preceding the year for which the area is determined, after adjustment for abnormal weather conditions, is 450 bushels or more per farm and 4 bushels or more for each acre of farm land in the county. The Secretary is given the power, as in the House bill, to include counties in and exclude counties from the commercial area.

Under the conference agreement a normal supply of corn is defined to be a normal year's domestic consumption and exports plus 7 percent thereof to allow for a normal carry-over.

The Secretary is to determine, on the basis of the estimated average yield of corn in the commercial area for the crop, the acreage in such area which would make available for the marketing year for the crop a supply of corn which, together with the estimated production in the United States outside such area, will equal a normal supply. The percentage which this acreage is of the acreage allotment is spoken of as the marketing percentage. The

Secretary is to proclaim all the facts above referred to and the marketing percentage prior to August 15.

Within 20 days after the date of the quota proclamation the Secretary is to conduct a referendum by secret ballot of the farmers who would be subject to the quotas. If more than one-third of the farmers voting oppose the quotas, the Secretary is to proclaim the result of the referendum prior to September 10, and such quotas are not to become effective.

If the Secretary finds from the September production estimates that the total supply of corn as of October 1 will not exceed the normal supply by more than 10 percent, he must so proclaim prior to September 20 if quotas have already been proclaimed. Thereupon such quotas are not to become effective.

Under the conference agreement the amount of corn which may be marketed from any farm subject to quotas is to be—

First. All the corn used as silage; plus

Second. The actual production of the acreage of corn not used as silage less the amount required for farm consumption and less the storage amount applicable to the farm.

Actual production of any acreage of corn is defined as the number of bushels of corn which the local committee determines would be harvested as grain from such acreage if all the corn on such acreage were so harvested. If the farmer and the local committee disagree as to the actual production, or if the local committee determines that the actual production is substantially below normal, the local committee, in accordance with regulations of the Secretary, is to weigh representative samples of ear corn taken from the acreage involved, make proper deductions for moisture content, and determine the actual production of such acreage on the basis of such samples.

The conference agreement defines "bushel" in the case of ear corn to mean that amount of ear corn, including not to exceed 15½ percent of moisture content, which weighs 70 pounds, and in the case of shelled corn to mean that amount of shelled corn, including not to exceed 15½ percent of moisture content, which weighs 56 pounds.

Under the conference agreement a farm marketing quota is not to be applicable to any farm on which the normal production of the acreage planted to corn is less than 300 bushels.

As indicated above the amount of grain which may be marketed from a farm depends on the storage amount applicable to the farm. If the acreage of corn on the farm does not exceed the marketing percentage of the farm-acreage allotment, there is to be no storage amount. If such acreage exceeds the marketing percentage of the farm-acreage allotment, the storage amount is a number of bushels equal to the smallest of the following amounts:

(1) The normal production of the acreage in excess of the marketing percentage of the farm acreage allotment;

(2) The amount by which the actual production exceeds the normal production of the marketing percentage of the farm-acreage allotment; or

(3) The amount of the actual production of the acreage of corn not used as silage.

A few examples will illustrate the operation of the storage provisions of the conference agreement. In all of the examples it is assumed that the farm acreage allotment is 100 acres, the marketing percentage 80 percent, the marketing percentage of the farm acreage allotment (80 percent times 100) 80 acres, and the normal yield per acre 30 bushels.

Example A: If the acreage planted is 100 acres, no corn is used for silage, and the yield is normal or better, the storage amount is ascertained under (1) above. It is the normal production of the acreage in excess of the marketing percentage of the farm acreage allotment, or 30 (normal yield) times 20 (acreage in excess), or 600 bushels.

Example B: If the acreage planted is 100 acres, 40 acres are used for silage, and the yield is normal or better, the storage amount is also ascertained under (1) above, and will be the same as in Example A.

Example C: If the acreage planted is 100 acres, no corn is used for silage, and the actual yield is 20 bushels to the acre (less than normal), the storage amount will be ascertained under (2) above. It will be the amount by which the actual production (100 acres times 20 bushels), or 2,000 bushels, exceeds the normal production of the marketing percentage of the farm acreage allotment (30 bushels times 80 acres) or 2,400 bushels. Since 2,000 is less than 2,400, there is no storage amount.

Example D: If the acreage planted is 100 acres, 30 acres of corn is used for silage, and the actual yield is 20 bushels (less than normal) the storage amount will be ascertained under (2) above, and will be the same as in Example C, where there was no storage amount.

Example E: If the acreage planted is 100 acres, 90 acres of corn is used for silage, and the yield is normal, the storage amount will be ascertained under (3) above. It will be the actual production of the acreage not used for silage (30 bushels times 10 acres), or 300 bushels.

Under the conference agreement, any farmer who, while any farm-marketing quota is in effect with respect to any crop of corn, markets corn produced on the farm in an amount which is in excess of the aggregate of the farm-marketing quotas for the farm then in effect, is subject to a penalty of 15 cents per bushel of the excess so marketed. Liability for the penalty is not to accrue until the amount of corn stored is less than the sum of the storage amounts applicable to such quotas. Hence although a farmer markets his farm-consumption corn, he is not liable for the penalty for such marketing until he takes corn from storage. If there is stored an amount of corn equal to the sum of the storage amounts applicable to such quotas, the farmer is presumed not to be violating the marketing provisions. When the corn stored is less than such storage amounts, he is presumed to have marketed, while quotas were in effect, corn in violation of the marketing provisions, to the extent that the amount of corn stored is less than such storage amounts. In any action brought for the collection of the penalties, the farmer, to the extent that the amount stored is less than such storage amounts, is to have the burden of proving that he did not market corn in violation of the marketing provisions.

Corn is deemed stored under seal only if stored in such manner as to conform to the requirements of such regulations as the Secretary prescribes in order to more effectively administer the corn quotas.

Under the conference agreement if the Secretary finds that the actual production of corn in any county or other area plus the corn stored under seal in such county or other area is less than the normal production of the marketing percentage of the farm acreage allotments in such county or other area, the Secretary is to terminate the quotas in such county or other area. Similarly if on any farm the actual production of the acreage of corn is less than the marketing percentage of the farm acreage allotment, there may be marketed from the corn stored under seal an amount of corn which, together with the actual production will equal the normal production of the marketing percentage of the farm acreage allotment.

Whenever in any marketing year corn quotas are not in effect all previous quotas are to terminate.

As indicated above, the farm marketing quota for any farm depends on the farm acreage allotment for the farm. Not later than February 1 of each year (or as soon as practicable after the enactment of the act in the case of 1938) the Secretary is to proclaim the acreage allotment for corn. The acreage allotment is to be that acreage in the commercial area which, on the basis of the average yield in such area during the preceding 10 years, will produce an amount of corn which the Secretary determines will, together with the production in the United States outside such area, make available a supply for the marketing year beginning on the October 1 after the allotment proclamation, equal to the reserve supply level. The reserve supply level is defined in the conference agreement to be a normal year's domestic consumption and exports plus 10 percent thereof to insure a supply adequate to meet the domestic consumption and export needs in years of drought, flood, or other adverse conditions, as well as in years of plenty.

The acreage allotment is to be apportioned by the Secretary among the counties in the commercial area on the basis of the acreage seeded for the production of corn during the preceding 10 calendar years (plus in applicable years the acreage diverted under previous agricultural adjustment and conservation programs) with adjustments for abnormal weather conditions and for trends in acreage and for the promotion of soil conservation practices. Any downward adjustment on account of soil conservation practices is not to exceed 2 percent of the total acreage allotment that would otherwise be made to the county.

The county allotment is to be apportioned by the Secretary, through the local committees, among farms within the county, on the basis of tillable acreage, crop-rotation practices, type of soil, and topography.

Both the House bill and the Senate amendment contained a statement of the effect of the marketing of corn on interstate and foreign commerce. The conference agreement contains material taken from both the House bill and the Senate amendment in this respect.

17. MARKETING QUOTAS—WHEAT

The House bill and the Senate amendment both contained statements of facts concerning the effects of the marketing of wheat in interstate and foreign commerce which make necessary the exercise of the power of the Congress to regulate such marketing. The conference agreement combines the provisions of both bills in order to give a more accurate and complete statement of these facts.

Under the House bill the Secretary was required each year to ascertain the national acreage allotment for wheat. This amount was the acreage which, on the basis of the national average yield, would produce an amount, together with carry-over, which would make available for the next marketing year a supply equal to the reserve supply level. Reserve supply level was a normal year's domestic consumption and exports plus 32 percent of such consumption and exports. He was to announce the national acreage allotment not later than July 15.

The Senate amendment established a national soil-depleting base acreage for wheat of 67,400,000 acres. The conference agreement adopts the national acreage allotment approach of the House bill and provides for an acreage allotment estimated to yield 130 percent of a normal year's domestic consumption and exports, less the estimated carry-over. The acreage allotment for 1938 is fixed by the bill at 62,500,000 acres.

Under both the House bill and the Senate amendment the acreage so determined was to be apportioned among the several States on the basis of acreage during the previous 10 years. Adjustments were made to add acreage diverted under agricultural adjustment and conservation programs, and for abnormal weather

conditions and trends in acreage. The State acreage allotments were apportioned among the counties or other local administrative areas in accordance with the same standard, except that the Senate amendment also provided for adjustments for the promotion of soil-conservation practices with a limitation of 2 percent on downward adjustments for such purpose. The conference agreement retains the Senate provision for adjustments for the promotion of soil-conservation practices, without the 2-percent limitation.

The House bill provided for the local acreage allotment to be apportioned, through the local committees, to the farms on the basis of tillable acres, crop-rotation practices, type of soil, topography, and production facilities. The allotment to the farm was to be reduced if for any reason other than flood or drought the acreage planted was less than 80 percent of the allotment. In such cases, the allotment was to be 25 percent above the allotment otherwise made.

The Senate amendment provided for deducting from the local allotment the acreage on farms on which wheat was not produced for market and apportioning the balance of the local allotment to farms on which wheat was produced for market, according to tillable acreage, type of soil, topography, and production facilities.

The conference agreement provides that allotments to counties shall be apportioned to farms on the basis of tillable acres, crop-rotation practices, type of soil, and topography, with not more than 3 percent to go to farms on which wheat has not been produced during the preceding 3 years.

Both the House bill and the Senate amendment provided for national-marketing quotas when the Secretary found the total supply of wheat as of the beginning of a marketing year would exceed a certain level. In the House bill this level was fixed at the normal supply plus 25 percent thereof. In the Senate amendment it was fixed at normal supply plus 10 percent thereof. (Normal supply was fixed at a normal year's domestic consumption and exports plus 20 percent thereof in the House bill, and plus 10 percent thereof in the Senate amendment, and is fixed at a normal year's domestic consumption and exports plus 15 percent thereof in the conference agreement.) The level at which marketing quotas go into effect under the conference agreement is a normal year's domestic consumption and exports plus 35 percent thereof. The conference agreement does not contain the provision of the Senate amendment which provided that quotas should not go into effect if the Secretary had reason to believe the farm price would exceed the parity price.

The House bill did not contemplate that marketing quotas for wheat would go into effect for the marketing year beginning in 1938. The Senate amendment did provide for quotas in such marketing year. The conference agreement provides that quotas for such marketing year shall be effective only if, prior to the date of the marketing quota proclamation, provision has been made by law for payment in 1938 of parity payments with respect to wheat.

Under the House bill the amount of the national quota was to be the reserve supply level less the estimated carry-over and the amount required for seed and livestock feed. Under the Senate amendment it was to be the amount needed to make available a normal supply. The conference agreement fixes it at a normal year's domestic consumption and exports plus 30 percent thereof and less (1) the estimated carry-over and (2) the estimated amount that will be used for seed and livestock feed.

The national marketing quota was to be proclaimed in terms of total amount and, in the House bill in terms of a percentage of the farm acreage allotment, or under the Senate amendment a percentage of the base acreage of each farm, estimated to produce the amount of the national quota. The marketing quota for each farm was fixed in the House bill as the normal production, and in the Senate amendment as the actual production of the acreage so determined for the farm. The conference agreement fixes the farm marketing quota as the normal production of such acreage, and makes it clear that excess wheat produced in 1 year may be marketed in a subsequent year if the farmer produces less than the amount of his quota during the subsequent year.

The House bill provided for exemption from farm marketing quotas of farms having a normal production of less than 200 bushels, and the Senate amendment provided a like exemption for farms with a base acreage having a normal yield of less than 100 bushels. The conference agreement provides an exemption for farms on which the normal production of the acreage planted is less than 100 bushels.

The provisions for referendums in the case of wheat in both bills were similar to those for the other commodities discussed above. The conference agreement provides for holding such referendums, and provides that if the result of a referendum is adverse the marketing quotas shall be suspended.

The conference agreement retains a provision of the Senate amendment providing for an increase in marketing quotas if within 45 days after the beginning of the marketing year the Secretary finds that the total supply is less than that specified in the marketing quota proclamation, and also retains a provision of the House bill providing that quotas shall become ineffective if on the basis of the July or August estimates it appears that the total supply is less than a normal year's domestic consumption and exports plus 30 percent thereof. The agreement also contains general provisions for the increase or termination of quotas when it appears that a normal supply will not be available free of marketing restrictions or it is necessary by reason of a national emergency or increase in export demand.

The conference agreement retains the House provision relating to the transfer of quotas.

The House bill provided a penalty of 15 cents per bushel on the excess marketing of wheat. The Senate amendment fixed the penalty at 25 percent of the parity price. The conference agreement fixes the penalty at 15 cents per bushel.

The Senate amendment contained administrative provisions relating to the collection of penalties and the keeping of books and records incidental to the enforcement of the quotas. These provisions are included among the general administrative provisions in the conference agreement.

For the purpose of marketing quotas on wheat, the House bill (sec. 333) authorized the Secretary after due notice and public hearing to interested parties to treat as a separate commodity any regional or market classification, type, or grade of wheat if he found such treatment necessary in order adequately to effectuate the policy of the bill with respect to such classification, type, or grade. The Senate amendment (sec. 61 (a) (1)) contains a similar provision which applies to all of the five commodities. The conference agreement omits this provision.

18. MARKETING QUOTAS—COTTON

Both the House bill and the Senate amendment contained statements of the facts relating to the marketing of cotton in interstate and foreign commerce and the effect on such commerce of excessive or fluctuating supplies of cotton. The conference agreement combines provisions from both bills for the purpose of stating the basis on which Congress is exercising its power.

The House bill provided that not later than November 15 of each year the Secretary should announce a national acreage allotment for cotton. The national acreage allotment was to be the acreage which the Secretary determines would, on the basis of the national average yield per acre, produce an amount of cotton which, together with estimated carry-over at the end of the marketing year ending in the calendar year for which the allotment is made, make available for the next marketing year a supply of cotton equal to the normal supply. (Normal supply was defined as a normal year's domestic consumption and exports plus 40 percent thereof.) The bill provided that the national acreage allotment should not be less than 60 percent of the average acreage planted to cotton during the 10-year period ended December 31, 1932.

The national acreage allotment was to be apportioned by the Secretary among the several States, and the State allotments to the several counties or other administrative areas therein, in accordance with the standard laid down in the bill.

Ninety-five percent of the State allotment of any State was to be apportioned by the Secretary among the counties in the State in accordance with such standard, and the county allotment was to be apportioned, through the local committee, among farms within the county on which cotton has been planted at least once during the 5 years immediately preceding the year for which the allotment was made. The allotment to each farm was to be a prescribed percentage of the average during the 5 years of the tilled acres of the farm, and this percentage must be uniform for all farms in the county or area. The allotment to a farm on which cotton had been planted less than 5 years was to be a stated fraction of the farm-acreage allotment which would otherwise be made, depending on the number of years of such 5-year cotton had been planted. The Secretary was also to take into consideration the acreage devoted to wheat, corn, tobacco, or rice. If the farm noncotton income was greater than the cotton income, the allotment was to be appropriately reduced.

The remaining 5 percent of the State allotment was to be made available for apportionment to farms in the State not used for cotton production during any of the 5 years above referred to, and to small farms, in accordance with the terms of the bill.

Under the House bill whenever the Secretary determined that the total supply of cotton as of August 1 of any year exceeded by more than 15 percent the normal supply for the marketing year commencing on that date, the Secretary was directed to so announce not later than November 15. Thereupon marketing quotas were to be in effect for the marketing year beginning on August 1 of the following year with respect to the crop of cotton grown in such year.

The amount of cotton which could be marketed from any farm was known as the farm marketing quota for the farm. This amount was the normal production, or the actual production, whichever was the greater, of the farm-acreage allotment for the farm.

The Senate amendment provided that the Secretary should, within 10 days after the approval of the act, and prior to November 15 of each year, announce the amount of the national marketing quota for cotton for the approaching marketing year, in terms of bales. The number of such bales was not to be less than 70 percent of the average annual number of bales produced during the 10 years ended December 1932.

The national marketing quota was to be apportioned among the States on the basis of the number of bales produced in such States during the preceding 5 years, with a proviso that the quota apportioned to any State should not be less than 70 percent of the normal yield of the acreage planted to cotton in such State in 1937.

The allotment to any State was to be apportioned among the counties or subdivisions thereof in the State on the basis of their production of cotton during the preceding 5 years. The Secretary was authorized to use not more than 5 percent of the State's allotment to adjust evident discriminations against any county or the growers therein.

The quota for any county or subdivision was to be apportioned by distributing among the farms therein an acreage which, on the basis of the normal yield, would produce the amount of the county quota. This acreage was to be apportioned to farms by allotting 7½ acres for each family engaged in the production of cotton, or the largest number of acres cultivated during the preceding 5 years if that was less than 7½ acres. At least 95 percent of the remaining acreage was to be apportioned to farms in the same proportion that the tilled lands (excluding lands devoted to crops for market other than cotton) on the farm bears to the total of such tilled lands in the county. The remainder of the acreage was to be distributed equitably on the basis of factors set forth in the bill. Not in excess of 3 percent of the allotment to any State could be apportioned to areas and farms in the State producing cotton for the first time in 10 years.

The amount of cotton produced on the acreage allotted as set forth above was to prevail as the national marketing quota and all of it could be marketed in interstate and foreign commerce.

The conference agreement provides that not later than November 15 of each year the Secretary shall proclaim as the national allotment of cotton for the succeeding year the number of bales adequate, together with the estimated carry-over to make available a normal supply. (Normal supply is defined as a normal year's domestic consumption and exports plus 40 percent thereof.) The national allotment for 1938 is to be proclaimed within 10 days after the enactment of the act. The national allotment for each of the years 1938 and 1939 is to be not less than ten million and not more than eleven and one-half million bales.

The national allotment for each year is to be apportioned among the several States on the basis of their production of cotton during the 5 preceding years, with allowances for acres diverted under previous agricultural adjustment and conservation programs. The Secretary then fixes the State acreage allotment as a number of acres which, on the basis of the average yield for the State, will produce a number of bales equal to the allotment to the State.

Not more than 2 percent of the State acreage allotment is to be apportioned to farms in the State on which cotton was not produced during any of the preceding 3 years. The remainder of the State acreage allotment is to be apportioned annually among the counties in the State on the basis of the acreage planted to cotton during the 5 preceding years (plus, in applicable years, acreage diverted under previous agricultural adjustment and conservation programs) with adjustments for abnormal weather conditions and trends in acreage.

For each of the years 1938 and 1939 there is to be added to the acreage allotment made to any county under the above provisions a number of acres sufficient to provide a total number of acres for allotment in such county of not less than 60 percent of (1) the acreage planted to cotton in such county in 1937, plus (2) the acreage therein diverted from cotton production under the agricultural adjustment and conservation program in 1937.

The conference agreement provides that the acreage allotted to any county shall be apportioned, through the local committees, among the farms within the county on the following basis: There is to be allotted to each farm on which cotton has been planted during any of the previous 3 years the smaller of (1) five acres, or (2) the highest number of acres planted to cotton (plus acres diverted under agricultural adjustment or conservation programs) in any one of such 3 years. Not more than 3 percent of the remainder is to be allotted, on such basis as the Secretary deems equitable, to farms which receive allotments of not less than 5 and not more than 15 acres under the other provisions. The remainder of the acreage available to the county is to be apportioned to farms (other than farms to which an allotment of less than 5 acres has been made under the foregoing provisions) on which cotton has been planted during any of the previous 3 years, on the basis of the acreage, during the preceding year, on such farms which are tilled annually or in regular rotation, excluding acreage devoted to the production of wheat, tobacco, or rice for market. In no event is any such farm to receive an allotment in excess of the largest acreage on such farm planted to cotton, plus the acreage diverted from the production of cotton under the agricultural adjustment or conservation program, during any of the preceding 3 years.

The conference agreement provides that in apportioning the county allotment among the farms, the Secretary, through the local committees, shall take into consideration different conditions within separate administrative areas within the county, if any exist, including types, kinds, and productivity of the soil, so as to prevent discriminations between such areas.

The conference agreement provides that whenever the Secretary determines that the total supply of cotton exceeds the normal supply by more than 7 percent, marketing quotas shall be in effect during the succeeding marketing year. When marketing quotas are in effect the farm marketing quota for any farm shall be the actual production or normal production, whichever is the greater, of the farm acreage allotment plus any cotton which the producer has on hand and could have sold without penalty during the preceding marketing year.

Both the House bill and the Senate amendment provided for a referendum before quotas went into effect. The conference agreement provides that a referendum of farmers engaged in producing the last crop shall be held and that if more than one-third of those voting in the referendum oppose the quotas, the quotas shall become ineffective.

Both the House bill and the Senate amendment contained provisions relating to the increase or termination of marketing quotas when it was found necessary to make available a normal supply, and the House bill provided for termination of quotas when it became necessary by reason of a national emergency or increased export demand. These provisions are retained in the conference agreement in the general provisions relating to adjustment of quotas.

The House bill provided for a penalty of 2 cents a pound on the excess marketing of cotton. The Senate amendment provided for a penalty of 75 percent of the purchase price. The conference agreement provides that the farmer shall be subject to a penalty of 2 cents per pound for the excess marketing of cotton of the first crop with respect to which penalties are in effect, and 3 cents per pound of the excess marketing of subsequent crops.

The Senate amendment provided that persons who knowingly sell cotton grown on acreage not included in their acreage allotments shall not be eligible for soil-conservation payments. The conference agreement retains this provision with clarifying changes.

Administrative provisions from both the House bill and the Senate amendment relating to the collection of penalties and the enforcement of quotas are included in the general administrative provisions for quotas in the conference agreement.

19. EXPORT BOUNTY ON COTTON

The Senate amendment (sec. 32 (b)) provided for a bounty of $10 a bale in certain cases in lieu of all other awards for cotton producers.

This provision is omitted from the conference agreement.

20. MARKETING QUOTAS—RICE

The only substantial differences between the provisions for marketing quotas for rice in the House bill and the Senate amendment related to the determination of the amounts required for consumers, the method of apportioning the amount to be produced, the basis for making soil-conservation payments, and the penalty for excess marketing.

The Senate amendment provided that in determining consumption requirements there should be included the amount necessary to meet the requirements of such markets as may exist in Cuba. The conference agreement does not include this provision.

The House bill provided for a national acreage allotment to be apportioned among the States on the basis of the acreage of rice for the preceding 5 years. The State acreage allotments were to be apportioned among producers, and the domestic allotment of rice for a State was to be apportioned among producers on the basis of the normal yield of the acreage allotments established for such producers.

The Senate amendment did not provide for acreage allotments, but provided for a domestic allotment of rice which was to be apportioned between California and the other rice-producing States on the basis set forth in the bill. The allotment to each State was then to be apportioned among rice producers in the State.

The conference agreement follows the provisions of the House bill.

The Senate amendment contained a provision for making soil-conservation payments to rice producers on the basis of the allotments made to them under the marketing-quota provisions. The conference agreement eliminates this provision.

The House bill provided for a penalty of one quarter of a cent a pound for excess marketing, which could be collected from the producer or the purchaser. The Senate amendment fixed the penalty at five-tenths of a cent per pound. The conference agreement provides a penalty of one-quarter of a cent per pound, payable by the producer.

21. PUBLICATION AND REVIEW OF QUOTAS, ETC.

Part VI of title III of the House bill provides for administrative and court review of the marketing quotas established under the preceding parts. The provisions of the part apply to each of the commodities, with respect to which quota provisions are applicable, tobacco, corn, wheat, cotton, and rice, separately. The comparable provision of the Senate amendment (sec. 60) relates not only to the publication and review of marketing quotas but to the publication and review of soil-depleting base acreages and normal yields in the case of commodities for which these are established.

The conference agreement relates to the publication and review of marketing quotas.

Under the House bill, acreage allotments and farm marketing quotas were to be made and kept freely available for public inspection in the locality. In the case of tobacco, the farm marketing quotas were to be made available for public inspection by imposting in a conspicuous place the name of the farmer, the number of tenants or sharecroppers on the farm, the total cultivated acres of the farm, the amount of the allotment or marketing quota, and the percentage of the total cultivated acreage devoted to tobacco (sec. 382). Under the Senate amendment, a list of soil-depleting base acreages, normal yields, and farm quotas is to be posted in the county, and a certified copy of the list is required to be filed with the recorder of deeds or similar county official (sec. 60 (a)).

The conference agreement requires the acreage allotments and quotas to be made available and kept available for public inspection in the county or local area. An additional copy is to be kept available in the office of the county agent or with the chairman of the local committee.

Under the House bill, notice of the quota established for his farm is required to be mailed to the farmer (sec. 382). The Senate amendment does not expressly require mailing of such a notice. The conference agreement adopts the House provision.

Under the House bill, a farmer dissatisfied with his quota could within 15 days after mailing of notice to him have the quota reviewed by a local committee of three farmers appointed by the Secretary. This committee could not include any person who had been a member of the local committee which determined the farm allotment, normal yield, or quota for the farm. Unless application is made within such 15 days, the original determination is final (sec. 383). The comparable provision of the Senate amendment relates to the review of soil-depleting acreages and normal yield as well as marketing quotas and is the same as the House provision, except that (1) the 15 days run from the time of making public the determination, and (2) no provision expressly relates to the manner of selection of the review committee (sec. 60 (b)). The conference agreement adopts the House provision.

Section 384 of the House bill provided the same per diem for members of the review committee as in the case of the local committees utilized under the Soil Conservation and Domestic Allotment Act, but prohibited compensation for more than 30 days in a year. There is no comparable provision in the Senate amendment. The conference agreement adopts the House provision.

The Senate amendment provided for a review of the review committee's determination by a reviewing officer, designated by the Secretary (sec. 60 (c)). There is no similar review in the House bill. In the Senate amendment review by the reviewing officer was to be had by filing a written petition with the reviewing officer. An opportunity for full hearing is thereupon afforded in the county in which the farm is located. The reviewing officer thereafter is to report his findings and conclusions and make an order affirming or modifying the review committee's determination. A copy of this report and order is to be served on the farmer by sending it to him by registered mail (sec. 60 (c)).

The conference provision does not provide for review by a reviewing officer.

Provision is made in the House bill (sec. 385) and the Senate amendment (sec. 60 (d)) for review by a court of the determination of the review committee or reviewing officer, as the case may be. Within 15 days after mailing (in the House bill) or after receipt (in the Senate amendment) of the notice of determination a farmer could bring a bill in equity against the review committee (in the House bill) or the Secretary (in the Senate amendment). Such bill is brought in a court where the land is located. In the House bill the suit may be brought in the United States district court or in a court of record of the State. Under the Senate amendment review is confined to a United States district court. The House bill provided for the giving of bond satisfactory to the court to secure costs. The Senate amendment contains no such provision. The bill of complaint is served on any member of the review committee (under the House bill) or the Secretary or a person designated by the Secretary in the Senate amendment. The review committee in the House bill then certifies to and files in the court a transcript of the record. The Senate amendment is the same except that the reviewing officer certifies and files (sec. 60 (d)).

The conference agreement adopts the House provision and authorizes the suit in a United States district court or a State court of record having general jurisdiction. Necessary technical changes are made to adopt the procedure to State court procedure.

Section 386 of the House bill and the last part of section 60 (d) of the Senate amendment provide the usual provisions for court review of administrative orders. The differences are that under the House bill an objection can be heard by the court notwithstanding it has not been urged below, and the House bill expressly provides for hearing the case in vacation as well as in term time. The conference agreement adopts the House provision.

Judicial proceedings do not stay the effect of the order unless the court so requires (sec. 387 and sec. 60 (e)). The conference agreement adopts this provision. Under the Senate amendment, the method of review therein provided is made exclusive (sec. 60 (e)), whereas there was no such provision in the House bill. The conference agreement adopts the Senate provision.

Section 388 of the House bill provides that an increase in a farm quota shall not affect the quotas for other farms. The Senate amendment (sec. 60 (f)) provides that an increase of a soil-depleting base acreage or marketing quota for a farm shall result in a pro rata decrease, under regulations of the Secretary, of the acreages and quotas of all other farms in the local area if such action is necessary to prevent a substantial increase of quotas in the local area. The conference agreement adopts the House provision.

The conference agreement consolidates and clarifies the various general provisions relating to the adjustment and suspension of quotas on tobacco, wheat, corn, cotton, and rice. Authority is given the Secretary to increase or suspend marketing quotas when he ascertains that the effect of quotas in effect will make the amount available for marketing free of restriction less than the normal supply.

Provision is also made for increase or termination because of a national emergency or material increase in export demand.

When national quotas are increased farm quotas are increased in the same ratio and in the case of corn, storage requirements are reduced.

The conference agreement consolidates in one place the provisions of the House bill and Senate amendment relating to the collection of penalties in the case of marketing of corn, wheat, cotton, or rice. If the commodity is marketed by sale to any person in the United States, such person is to collect the penalty. The Secretary is given power to provide by regulations for the manner, time, and conditions of collecting penalties. The person liable for the penalty is to remit it to the Secretary. An exception is made which requires the penalty to be remitted by the person liable for the collection of the penalty if he is one whom the bill charges with that duty.

The conference agreement similarly consolidates the provisions relating to reports to be furnished and records to be kept by persons who fall within classes who may be described as dealers or handlers of the commodity. Such reports are to be furnished and records kept on request of the Secretary, and a criminal penalty is provided for failing to furnish the report or keep the record or for making a false report or record.

Data reported to or acquired by the Secretary are to be kept confidential and may be disclosed only in a suit or administrative hearing under the title.

The conference agreement adopts a provision similar to that of the Senate amendment under which farms on which corn, cotton, wheat, or rice is produced are to be measured and for ascertainment and report of cases where farm acreage allotments are exceeded.

The provisions of the House bill and Senate amendment which relate to authority under regulations to prescribe for identification of quantities of commodities which are subject to or free from marketing quota restrictions are consolidated in one place.

The conference agreement adopts the provision of the Senate amendment authorizing the Secretary to prescribe regulations to enforce the provisions of the title.

The provisions of the House bill and Senate amendment relating to court jurisdiction are consolidated in one place. The several district courts are given jurisdiction to enforce specifically the provisions of the title, and the several district attorneys are given power to bring suit to collect penalties.

22. COTTON PRICE-ADJUSTMENT PAYMENTS

Section 401 of the House bill provides a rule of construction for the administration of the cotton price-adjustment payments contemplated with respect to the 1937 crop under the Third Deficiency Appropriation Act for the fiscal year 1937. Under that act a producer must, in order to be entitled to the payment with respect to his 1937 crop, comply with the provisions of the 1938 agricultural-adjustment program. This section 401 provides that such a producer shall be deemed to have complied if he does not exceed the cotton farm acreage allotment for 1938 which is apportioned to his farm under the Soil Conservation and Domestic Allotment Act, as amended, and for that purpose he must have complied not only with the original act but also with the amendments made to it by this bill.

Section 64 (h) of the Senate amendment omits the 3 cents per pound limitation on payment of the present law, and the requirement of the present law under which cotton producers in order to receive the benefits of the price-adjustment payment must comply with the 1938 agricultural adjustment program contemplated under Senate Joint Resolution 207. The subsection also provides that cotton which on July 1, 1938, is under a 1937 Commodity Credit Corporation loan and which if it had been sold before then would have been eligible for payment, shall be treated as if it had been sold at the time application for a loan was made. In such case there is to be deducted from the adjustment payment and paid to the lending agency the unpaid carrying charges under the loan due June 30, 1938. Payment is to be made only on applications filed prior to October 1, 1938.

Section 64 (j) of the Senate amendment provides that the cotton price-adjustment payment shall be paid at the earliest practicable time. There is no comparable provision in the House bill.

The conference agreement provides that a producer shall be deemed to have complied with the 1938 program if his cotton acreage does not exceed his acreage allotted under the Soil Conservation and Domestic Allotment Act or the acreage for marketing quota purposes under the bill. A producer is not deemed to have exceeded his acreage allotment unless he knowingly did so. Compliance is not required of a 1937 producer if he is not engaged in cotton production in 1938. Provision is made for payment of the adjustment payment to producers in cases where crop failure resulted from hail, drought, flood, or boll weevil on a percentage of the producer's normal base production. Cotton not sold prior to July 1, 1938, is deemed to be sold on June 30, 1938, thus establishing a price basis for the payment. Applications for payment are to be filed prior to July 15, 1938, and payments are to be made at the earliest practicable time. An application on behalf of all persons who were engaged in cotton production on a farm in 1937 may be made by the 1937 operator, but payment is to be made to those entitled to it. Provision is made for payment in case the person entitled dies, becomes incompetent, or disappears, or is succeeded by another who renders or completes performance.

The conference agreement also authorizes the transfer to the Commodity Credit Corporation of cotton on which a loan on the 1937 crop was made or arranged for by the Corporation. Upon transfer to the Corporation of the cotton, upon a showing of compliance by the producer or a national marketing quota is put into effect, the Secretary is to pay the producer 2 cents per pound, which is to be deducted from any price-adjustment payment to which the producer is entitled. The Commodity Credit Corporation is authorized to sell cotton of the 1937 crop so acquired by it. No cotton may be sold by the Corporation unless the proceeds

of the sale are at least sufficient to reimburse the United States for all amounts (including the price-adjustment payment) paid out with respect to cotton. After July 31, 1939, the Corporation is not to sell more than 300,000 bales in any month or more than 1,500,000 bales in any year. The proceeds from the sale of such cotton are to be used to discharge obligations of the Corporation with respect to the cotton, and any amounts not expended for that purpose are to be covered into the Treasury.

23. 1937–38 COTTON LOAN

The Senate amendment (sec. 35) authorizes and directs the Commodity Credit Corporation to extend the maturity date of all notes evidencing a loan made by the Corporation on cotton produced during the crop year 1937–38 from July 31, 1938, to July 31, 1939. The Corporation is further authorized and directed to waive its right to reimbursement from warehousemen accruing because of improper grading of cotton as provided in the loan agreement. The Corporation is also directed to place all insurance of every nature taken out by it on cotton with insurance agents in the State where the cotton is warehoused if such insurance may be secured at a cost not greater than similar insurance offered elsewhere. There is no comparable provision in the House bill.

The conference agreement provides for such extension of maturity date, and contains the provision for insurance with clarifying changes.

Section 64 (g) of the Senate amendment provides that all cotton of the 1937 crop warehoused in 1937 and held as security for a Government loan shall, on the request of the borrower, be reclassified, restapled, and reweighed by a licensed Government classer. This is to be done at Government expense, without cost to the borrower and without taking the cost thereof out of the borrower by reduction in prices. Hereafter there is to be no reconcentration or reclassification of such cotton without the written request of the producer or borrower. There is no comparable provision in the House bill.

The conference agreement contains a provision under which such cotton may not be reconcentrated without the written consent of the producer or borrower.

24. UTILIZATION OF LOCAL AGENCIES

The House bill (sec. 402) provides that the provisions of the Soil Conservation and Domestic Allotment Act (described in part above under "3. Amendment to Soil Conservation and Domestic Allotment Act, (a) Generally") relating to the utilization of local committees, the extension service, and other approved agencies, and to the recognition and encouragement of cooperative associations, are to apply in the administration of the bill. The Secretary is directed, for such purposes, to utilize the same local committees as are utilized under the Soil Conservation and Domestic Allotment Act.

The Senate amendment (sec. 62 (b)) directs the Secretary to designate local administrative areas as units for the administration of programs carried out pursuant to title VI of the Senate amendment, the Soil Conservation and Domestic Allotment Act, and such other agricultural laws as he may specify. Farmers having farms in the area designated, and participating or cooperating in programs administered in such area, are to elect annually from among their number a local committee for the area. The chairmen of the local committees within any county are to constitute a county committee for the county. The members of the county committee are to elect three of its members as an administrative committee. The county agent is to be the secretary, ex officio, of the county committee and is to represent the Secretary of Agriculture in the county. There is also to be a State committee for each State. The State committee is to be composed of five farmers who are residents of the State, to be appointed by the Secretary. Before appointing any appointive member of a State committee the Secretary of Agriculture is directed to consult with, and give consideration to such recommendations as are made by, the State director of agricultural extension, and representatives of leading State-wide farm organizations in the State. The Secretary is to make such regulations as are necessary to carry out the provisions of the subsection (62 (b)), including regulations to carry out the functions of the respective committees and for the administration through such committees of the various programs. No payments are to be made to any member of a committee for compensation or otherwise except solely for services performed or expenses incurred in administering such programs in the State in which the committee functions.

The Secretary of Agriculture is authorized and directed to make payments to the committees above described to cover the estimated administrative expenses incurred or to be incurred by them in cooperating in carrying out the Senate provisions. All or a part of such administrative expenses may be deducted pro rata from the Soil Conservation Act payments, parity payments, or surplus reserve loans made under adjustment contracts, and the adjustment contracts are to so provide. Such deductions are not to be made if the payment of expenses is otherwise provided by law. The Secretary of Agriculture may make such payments to the committees in advance of determination of performance by farmers under their adjustment contracts. The Secretary of Agriculture in the administration of title VI is directed to accord such recognition and encouragement to producer-owned and producer-controlled cooperative associations as will be in harmony with the policy toward cooperative associations set forth in existing acts of Congress and as will tend to promote efficient methods of marketing and distribution.

The conference agreement provides for substantially the same matters as the Senate amendment except that the committees are selected differently (see discussion under the Soil Conservation Act amendments).

25. PERSONNEL

The House bill (sec. 403) authorizes and directs the Secretary to provide for the execution by the Agricultural Adjustment Administration of such of the powers conferred upon him by the bill as he deems may be appropriately exercised by it. For such purposes the provisions of law applicable to appointment and compensation of persons employed by the Agricultural Adjustment Administration are to apply.

The Senate amendment (sec. 63 (a)) contains provisions having the same effect as section 403 of the House bill with the following exceptions: (1) The Senate amendment authorizes and directs the Secretary to provide for the execution of his powers in the manner described except as otherwise may be provided in the amendment, and (2) the Senate amendment applies also to the personnel of the Surplus Reserve Loan Corporation the provisions of law applicable to the appointment and compensation of persons employed by the Agricultural Adjustment Administration.

The conference agreement adopts the House provision.

26. SEPARABILITY

The House bill (sec. 404) and the Senate amendment (sec. 68) contain provisions in regard to separability of provisions. The conference agreement further elaborates these provisions with respect to the powers exercised, separability with respect to commodities, and separability on account of referendum provisions.

27. APPROPRIATIONS

The House bill (sec. 421 (a)) provides that beginning with the fiscal year ending June 30, 1938, there is authorized to be appropriated, for each fiscal year for the administration of the bill and for the making of soil conservation and other payments, such sums as Congress may determine, in addition to any amount made available pursuant to section 15 of the Soil Conservation and Domestic Allotment Act. The conference agreement adopts the House provision.

The House bill (sec. 421 (b)) makes available from funds appropriated for carrying out sections 7 to 17 of the Soil Conservation and Domestic Allotment Act during the fiscal year ending June 30, 1938, a sum not to exceed $5,000,000 for the administration of the bill during such fiscal year. The Senate amendment makes the amount $10,000,000. Under the conference agreement the amount is $5,000,000. The conference agreement makes it clear that such funds may be made available for 1938 for the crop-insurance title.

The House bill (sec. 421 (c)) authorizes funds appropriated pursuant to section 421 (a) to be made available for the purposes of further carrying out the provisions of section 32, as amended, of the act entitled "An act to amend the Agricultural Adjustment Act, and for other purposes," approved August 24, 1935, and in section 421 (d) authorizes sums appropriated pursuant to section 15 of the Soil Conservation and Domestic Allotment Act to be made available for any one or more of the purposes for which sums appropriated pursuant to the bill are authorized to be made available. The conference agreement does not contain such a provision.

The Senate amendment (sec. 64 (a)) provides that beginning with the fiscal year commencing July 1, 1938, there is authorized to be appropriated for each fiscal year for the administration of the Senate amendment and for the making of Soil Conservation Act payments and parity payments, such sums as are necessary. There is made available for parity payments with respect to cotton, wheat, and field corn for any year commencing on or after July 1, 1938, 55 percent of all sums appropriated for the purposes of sections 7 to 17 of the Soil Conservation and Domestic Allotment Act for such year. Sums due and payable under the Soil Conservation Act for payments and practices as to crops other than corn, wheat, and cotton are not to be diminished by reason of the diversion of funds above described. The conference agreement omits this provision.

28. ADMINISTRATIVE EXPENSES

The House bill (sec. 422) authorizes and directs the Secretary to make such expenditures as he deems necessary to carry out the provisions of the bill, including personal services and rents in the District of Columbia and elsewhere, traveling expenses (including the purchase, maintenance, and repair of passenger-carrying vehicles), supplies and equipment, law books, books of reference, directories, periodicals, and newspapers. The Senate amendment and the conference agreement are the same as the House provision. Under the House bill (sec. 422) the aggregate amount expended in any fiscal year for administrative expenses to carry out the purposes of the bill, the Soil Conservation and Domestic Allotment Act, and section 32 of the act entitled "An act to amend the Agricultural Adjustment Act, and for other purposes," is not to exceed 5 percent of the aggregate amount appropriated for such fiscal year for such purposes.

The Senate amendment (sec. 64 (b)) provides that in the administration of the amendment the Soil Conservation and Domestic Allotment Act, and section 32 of the act entitled "An act to amend the Agricultural Adjustment Act, and for other purposes," the aggregate amount expended in any fiscal year for administrative expenses in the District of Columbia, including regional officers, is not to exceed 1 percent of the total amount

available for such fiscal year for carrying out the amendment and such acts. It further provides that the aggregate amount expended in any fiscal year for administrative expenses in the several States (not including the expenses of county and local committees) is not to exceed 2 percent of the total amount available for such fiscal year for carrying out the amendment and such acts. In the event any administrative expenses of any county or local committee are deducted from Soil Conservation Act payments, parity payments, or surplus reserve loans, each farmer receiving benefits under the amendment is to be notified, in the form of a statement to accompany the check evidencing the benefit payment or loan, of the amount deducted therefrom on account of such administrative expenses. The names and addresses of the members and employees of the county or local committee, and the amount of the compensation received by each of them, are to be posted annually in a conspicuous place in the area within which they are employed.

The conference agreement is substantially the same as the Senate amendment except that the provisions are made applicable to the fiscal year 1939 and subsequent years.

29. ALLOTMENT OF APPROPRIATIONS

The House bill (sec. 423) and the Senate amendment (sec. 64 (d)) and the conference agreement contain identical provisions which provide that all funds for carrying out its provisions are to be available for allotment to bureaus and offices of the Department and for transfer to such other agencies of the Federal Government or to such State agencies as the Secretary may request to cooperate and assist in carrying out such provisions.

30. REPORT OF PAYMENTS TO CONGRESS

The Senate amendment (sec. 22 (f)) provides that money benefits or rentals of $1,000 or more shall be reported to the Congress with the names of the payees. The Secretary is directed to report to the Congress all money benefits, parity payments, or rental allowances heretofore made under his administration of $1,000 or more, with the names and addresses of the respective payees and the amounts paid to each. The amount of any allotment or payment to any person is to be disclosed to any Member of Congress on demand. There are no comparable provisions in the House bill. The conference agreement requires an annual report to be submitted by the Secretary to Congress of those who under the Soil Conservation Act receive payments, together with parity payments, if any, of more than $1,000.

31. MISCELLANEOUS PROVISIONS OF SENATE AMENDMENT NOT CONTAINED IN HOUSE BILL

Hearings

The Senate amendment (sec. 62 (a)) provides for hearings at convenient places and after not less than 3 days' notice prior to prescribing and proclaiming terms of adjustment contracts and loans, regulations under the amendment, regulations with respect to contracts, regulations respecting the time and manner of keeping records and making reports, and the amount of the ever-normal granary and of any diversion percentage. The House bill and the conference agreement contain no comparable provision.

Proclamation of parity, farm prices, and total supply

The Senate amendment (sec. 62 (c)) requires the Secretary to ascertain and proclaim parity price and current average price for each commodity on the 1st day of each month. Within 45 days after the beginning of the marketing year he is to ascertain and proclaim current average farm price for the preceding marketing year and to proclaim total supply as of the beginning of the current marketing year. There is no comparable provision in the House bill or the conference agreement.

Finality of payments and loans

Section 62 (e) of the Senate amendment provides that the facts constituting the basis for any Soil Conservation and Domestic Allotment Act payment, parity payment, or surplus reserve loan shall be final and not reviewable when officially determined by the Secretary or the Surplus Reserve Loan Corporation. There is no comparable provision in the House bill. The conference agreement adopts the House provisions.

Benefits available to Members of Congress

Section 62 (f) of the Senate amendment removes limitations on contracts with or payments to Members of Congress under the amendment. The House bill contained no comparable provisions since general law removes such limitations. The conference agreement adopts the Senate provision but makes Members ineligible to act as insurance agents in connection with the insurance of Commodity Credit Corporation cotton.

Protographic reproductions, etc.

The Senate amendment (sec. 62 (g)) authorizes the Secretary to furnish reproductions of such aerial or other photographs, mosaics, and maps as have been obtained in connection with the authorized work of the Department of Agriculture to farmers and governmental agencies at the estimated cost of furnishing such reproductions. Such reproductions may also be furnished by the Secretary to persons other than farmers at such prices as the Secretary may determine, not less than the estimated cost of furnishing such reproductions. The money received from such sales is to be deposited in the Treasury to the credit of the appropriation charged with the cost of making such reproductions. This provision is not to affect the power of the Secretary to make other disposition of such or similar materials under any other provisions of existing law. There are no comparable provisions in the House bill. The conference agreement adopts the Senate provision.

32. SURPLUS RESERVE LOAN CORPORATION

For the purpose of making and administering surplus reserve loans, title VII of the Senate amendment establishes as an agency of and within the Department of Agriculture the Surplus Reserve Loan Corporation. Since the conference agreement provides for loans by the Commodity Credit Corporation this title is omitted.

33. COTTON POOL CERTIFICATES

The Senate amendment (title IX) and the conference agreemnt (title IV) authorize and direct the Secretary of the Treasury to pay to or upon the order of the Secretary of Agriculture such part or all of the sum of $1,800,000 (which is authorized to be appropriated to accomplish the purposes of the title) at the request of the Secretary of Agriculture. The Secretary of Agriculture is authorized to draw from the Treasury of the United States any part or all of such sum and to deposit the same to his credit with the Treasurer of the United States, under special symbol number, to be available for disbursement for the purposes hereinafter described. The Secretary of Agriculture is authorized to make available, from such sum, to the manager of the cotton pool such sum or sums as may be necessary to enable the manager to purchase, take up, and cancel, subject to the restrictions hereinafter described, pool participation trust certificates, Form C–5–I, where such certificates are tendered to the manager by the person or persons shown by the records of the Department to have been the lawful holder and owner thereof on May 1, 1937. The purchase price to be paid for the certificate so purchased is to be at the rate of $1 per 500-pound bale for every bale or fractional part thereof represented by the certificates. The Secretary of Agriculture is further authorized to pay directly to, or to advance to, the manager of the cotton pool, to enable him to pay costs and expenses incident to the purchase of the certificates, and any balance remaining to the credit of the Secretary or the manager not required for the purchase of the certificates is to be covered into the Treasury of the United States as miscellaneous receipts at the expiration of the purchase period.

The authority of the manager to purchase and pay for certificates under this title is to extend to and include January 31, 1938, except that after the expiration of the limit, the purchase may be consummated of any certificates tendered to the manager on or before January 1, 1938, but where for any reason the purchase price has not been paid by the manager. The conference agreement extends the date to July 31, 1938.

The Secretary of Agriculture is authorized to continue in existence the 1933 cotton producers' pool as long as may be necessary to effectuate the purposes of this title. All expenses incident to the accomplishment of such purposes may be paid from funds which the title authorizes to be appropriated, for which purpose the fund so authorized to be appropriated is to be deemed as supplemental to such funds as are now to the credit of the Secretary, reserved for the purpose of defraying operating expenses of the pool.

After the expiration of the time limit the certificates then remaining outstanding and not theretofore tendered to the manager for purchase are not to be purchased and no obligation or account thereof is to exist.

Nothing in title IX of the Senate amendment is to be construed as authorizing the Secretary to pay the assignee or any holder of cotton pool participation trust certificates (other than the original owner or holder) more than the purchase price paid by the assignee or holder of such certificate or certificates with interest at the rate of 4 percent per annum from the date of purchase, provided such purchase price is $1 per bale, or twenty one-hundredths of 1 cent per pound, or less. If the assignee or holder other than the original holder receives less than $1 per bale, or twenty one-hundredths of 1 cent per pound, then the remainder between such payments so received by the assignee or holder and $1 per bale, or twenty one-hundredths of 1 cent per pound, shall be paid to the producer or original holder of the certificate or certificates.

The conference agreement rewrites the section described above so as to provide that nothing in the title is to be construed to authorize the payment to a transferee who received a certificate on or before May 1, 1937, more than the amount he paid for it plus 4 percent interest from the date of its acquisition by him and not more than $1 per bale. Any such assignee must file an affidavit showing the amount he paid for the certificate and the date he acquired it.

The House bill does not contain any comparable provision.

34. INVESTIGATION FOR CROP INSURANCE

The Senate amendment (sec. 80 (d)) provides that Congress recognizes the insecurity which those engaged in agriculture and horticulture experience on account of the hazards to which they are subject in producing their crops, and that Congress desires to do everything possible to diminish such hazards and to stabilize agricultural yield against such hazards. Therefore, there is authorized to be appropriated to the Secretary of Agriculture the sum of $150,000, or so much thereof as may be necessary, until such study is completed, for making a study of a feasible and practicable plan of crop insurance for fruits, vegetables, and all other crops. The Secretary is directed as soon as he has completed such study, or has sufficient information available to justify a report, to report his findings and recommendations with respect to such plan or plans to the Congress at the earliest practicable date.

The House bill and the conference agreement do not contain any comparable provisions.

35. CROP INSURANCE

The House bill does not contain any provisions with respect to crop insurance.

Title X of the Senate amendment and title V of the conference agreement contain provisions with respect to crop insurance on wheat. A corporation is created with the name "Federal Crop Insurance Corporation." The Corporation is to have a capital stock of $100,000,000 subscribed by the United States. Payment for subscriptions is to be subject to call by the board of directors with the approval of the Secretary of Agriculture. An appropriation of $100,000,000 is authorized for the purpose of subscribing to the stock, only $20,000,000 of which may be appropriated during the fiscal year 1938. The conference agreement postpones this date to 1939 and provides that this sum may be appropriated only out of money unexpended from 1938 appropriations under section 15 of the Soil Conservation and Domestic Allotment Act.

The management of the Corporation is vested in a board of directors consisting of three persons employed in the Department of Agriculture who are to be appointed by and hold office at the pleasure of the Secretary. The directors are not to receive any additional compensation for their services as such.

Employees of the Corporation are appointed by the Secretary. They may be appointed without regard to the civil-service laws, but their compensation is to be fixed in accordance with the Classification Act of 1923, as amended. Appointments are to be made solely on the basis of merit and efficiency.

The Corporation is given corporate powers necessary to enable it to perform its duties in addition to the usual formal powers.

To carry out the purposes of the title the Corporation is given power to insure producers of wheat against loss in yields due to unavoidable causes, including drought, flood, hail, wind, winterkill, lightning, tornado, insect infestation, plant disease, and such other unavoidable causes as may be determined by the board of directors. The Senate amendment authorized insurance beginning with the crop to be harvested in 1938. The conference agreement postpones this provision until the crop harvested in 1939. Such insurance is not to cover losses due to neglect or malfeasance of the producer or to the failure of the producer to reseed where customary. Such insurance is to cover not less than 50 or more than 75 percent of the recorded or appraised average yield on the insured farm for a representative period subject to such adjustments as the Board may prescribe to the end that average yields fixed for farms in the same area, which are subject to the same conditions, may be fair and just. The issuance of insurance in any county or area may be conditioned upon a minimum amount of participation in the program.

The Corporation is authorized to fix adequate premiums for the insurance, payable either in wheat or cash equivalent, on the basis of the recorded or appraised average crop loss of wheat on the insured farm for a representative period subject to such adjustments as the Board may prescribe to the end that premiums fixed for farms in the same area, which are subject to the same conditions, may be fair and just.

The Corporation is authorized to adjust and pay claims for losses either in wheat or in cash equivalent under rules prescribed by the board of directors. Provision is made for bringing action on claims denied by the Corporation in the district in which the insured farm is located. Such action is to be brought within 1 year after the date when notice of denial of the claim is mailed to the claimant.

The Corporation is given power to purchase, handle, store, insure, provide storage facilities for, and sell wheat, and pay any expenses incidental thereto. Restrictions are placed on the power of the Corporation to purchase and sell wheat to prevent the Corporation from making unnecessary purchases or sales and to prevent the Corporation from speculating in wheat. Such restrictions are required to be made a part of the crop-insurance agreement. There is to be no limitation on the legal or equitable remedies available to the insured to enforce against the Corporation the restrictions with respect to purchases and sales.

Claims for indemnities under the title are not to be liable to attachment, levy, garnishment, or any other legal process before payment to the insured or to deduction on account of the indebtedness of the insured or his estate to the United States, except claims of the United States or the Corporation arising under the title.

The Corporation, including its franchise, its capital, reserves, and surplus, and its income and property, is to be exempt from all taxation now or hereafter imposed by the United States or by any Territory, dependency, or possession thereof, or by any State, county, municipality, or local taxing authority.

When so designated by the Secretary of the Treasury, the Corporation is to be a depository of public money, except receipts from customs. It may also be employed as a financial agent of the Government.

The Corporation must at all times maintain complete and accurate books of account and file annually with the Secretary of Agriculture a complete report as to the business of the Corporation. The financial transactions of the Corporation are to be audited at least once each year by the General Accounting Office for the sole purpose of making a report to Congress, together with such recommendations as the Comptroller General may deem advisable. Such report is not to be made until the Corporation has had reasonable opportunity to examine the exceptions and criticisms of the Comptroller General or the General Accounting Office, to point out errors therein, explain or answer the same, and to file a statement which is to be submitted by the Comptroller General with his report.

In addition to the usual penal provisions relating to employees of and transactions with Federal corporations, the crop-insurance title of the Senate amendment makes it unlawful for any person, while acting in any official capacity in the administration of the title, to speculate, directly or indirectly, in any agricultural commodity or product thereof to which the title applies, or in contracts relating thereto, or in the stock or membership interests of any association or corporation engaged in handling, processing, or disposing of any such commodity or product. Any person violating this provision is upon conviction thereof subject to a fine of not more than $10,000, or to imprisonment for not more than two years, or both.

The Secretary of Agriculture is authorized to appoint from time to time an advisory committee, consisting of not more than five members experienced in agricultural pursuits and appointed with due consideration to their geographical distribution, to advise the Corporation with respect to carrying out the provisions of the title. The compensation of the members of such committee is to be determined by the Board but is not to exceed $10 per day each while actually employed and actual necessary traveling and subsistence expenses, or a per diem allowance in lieu thereof.

To cover the operating and administrative costs of the Corporation, other than payments of claims for indemnities, not in excess of $10,000,000 for each fiscal year is authorized to be appropriated under the Senate amendment. The conference agreement reduces this sum to $6,000,000, provides that the appropriation shall be made only for 1939 and subsequent years, and provides that for 1939 the appropriation shall be made only out of funds unexpended out of appropriations for 1938 under the Soil Conservation and Domestic Allotment Act. The conference agreement further provides that expenses in connection with purchase, transportation, handling, or sale of wheat may be considered by the Corporation as nonadministrative or nonoperating expenses. Such sum is to be allotted to the Corporation in such amounts and at such time or times as the Secretary of Agriculture may determine.

The Secretary and the Corporation, respectively, are given power to issue rules and regulations to carry out the title.

The conference agreement amends the title of the bill so as to conform to the title of the House bill with one change. The conference agreement adds "and for other purposes" to the language contained in the title of the House bill.

MARVIN JONES,
H. P. FULMER,
WALL DOXEY,
CLIFFORD R. HOPE,
Managers on the part of the House.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. RYAN (at the request of Mr. O'CONNOR of New York), indefinitely, on account of death of his wife.

To Mr. MCSWEENEY (at the request of Mr. MOSIER of Ohio), for 2 days, on account of illness.

ADJOURNMENT

Mr. RAYBURN. Mr. Speaker, I move the House do now adjourn.

The motion was agreed to; accordingly (at 1 o'clock and 51 minutes p. m.), the House adjourned until tomorrow, Tuesday, February 8, 1938, at 12 o'clock noon.

COMMITTEE HEARINGS

COMMITTEE ON ROADS

The Committee on Roads will resume public hearings on H. R. 8838, to amend the Federal Aid Highway Act, and related proposals, on Tuesday, February 8, 1938, at 10 a. m.

COMMITTEE ON NAVAL AFFAIRS

A full Committee on Naval Affairs, House of Representatives, will hold a meeting Tuesday, February 8, 1938, at 10 a. m., for the consideration of building program for the Navy. Very important.

COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

There will be a meeting of the Committee on Interstate and Foreign Commerce at 10 a. m., Tuesday, February 8, 1938. Business to be considered: Continuation of hearings on S. 69—train length. Railroad interests will be heard.

COMMITTEE ON RIVERS AND HARBORS

The Committee on Rivers and Harbors will meet Tuesday, February 8, 1938, at 10:30 a. m., to continue hearings on

H. R. 8327, a bill to promote interstate and foreign commerce, to improve the navigability of the Lakes-to-the-Gulf waterway, and for other purposes.

COMMITTEE ON THE POST OFFICE AND POST ROADS

A meeting of Subcommittee No. 10 of the House Committee on the Post Office and Post Roads, will be held Tuesday, February 8, 1938, at 10 a. m., to consider Postal Service matters relative to conditions complained of on floor of House when Post Office appropriation bill was under consideration.

COMMITTEE ON FOREIGN AFFAIRS

The Committee on Foreign Affairs will hold public hearings Tuesday, February 8, 1938, in the committee room, the Capitol Building, at 10 a. m., on H. R. 9154 to provide for cooperation between the United States and foreign nations producing tin ore and other materials to assure to the United States continuing supplies of the same to supplement deficient domestic resources and production, and for other purposes.

COMMITTEE ON PATENTS

The Committee on Patents will hold public hearings February 8, 9, 10, and 11, 1938, in the caucus room of the House Office Building at 10 a. m. each morning on House Joint Resolution 79, providing for the establishment of a Department of Science, Art, and Literature.

COMMITTEE ON IMMIGRATION AND NATURALIZATION

There will be a meeting of the Committee on Immigration and Naturalization Wednesday, February 9, 1938, and Thursday, February 10, 1938, at 10:30 a. m. In re hearing of private bills. Hearings in committee room 445, House Office Building.

COMMITTEE ON THE JUDICIARY

There will be a hearing before Subcommittee No. 3 of the Committee on the Judiciary at 10:30 a. m. Wednesday, February 16, 1938, in the committee room, 346 House Office Building, on the bill H. R. 8339, providing for the repeal of section 7 of the act entitled "An act to provide for the diversification of employment of Federal prisoners, for their training and schooling in trades and occupations, and for other purposes," approved May 27, 1930.

There will be a hearing before the Committee on the Judiciary on Wednesday, February 23, 1938, at 10 a. m., on Senate Joint Resolution 208, joint resolution relative to the establishment of title of the United States to certain submerged lands containing petroleum deposits.

COMMITTEE ON MERCHANT MARINE AND FISHERIES

SUPPLEMENT TO NOTICE OF HEARING DATED JANUARY 11, 1938

Under date of January 11, 1938, notice was advertised of the intention of the committee to commence hearings on February 23, 1938, at 10 a. m., in room 219, House Office Building, Washington, D. C., on the following bills, copies of which were enclosed with that notice:

H. R. 8595, relating to vessels engaged in whaling;

H. R. 8627, relating to inspection of fishing vessels;

H. R. 8778, relating to vessels engaged in the coasting trade and fisheries; and

H. R. 8906, an improved form of H. R. 8778.

The purpose of this notice is to advise that the consideration of H. R. 8627, relating to inspection of fishing vessels, has been indefinitely postponed, and accordingly hearings on this measure will not be had on February 23, 1938.

The hearings will be limited to H. R. 8595, H. R. 8778, and H. R. 8906.

The Committee on Merchant Marine and Fisheries will held a public hearing in room 219 House Office Building, Washington, D. C., on Tuesday, March 8, 1938, at 10 o'clock a. m., eastern standard time, on House Joint Resolution 463, permitting the transportation of passengers by Canadian passenger vessels between the port of Rochester, N. Y., and the port of Alexandria Bay, N. Y., on Lake Ontario and the St. Lawrence River.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1066. A letter from the secretary, National Institute of Arts and Letters, transmitting a report of the National Institute of Arts and Letters for the period from January 31, 1937, to January 31, 1938; to the Committee on the Library.

1067. A letter from the Acting Secretary of the Treasury, transmitting the draft of a bill entitled "An act declaring pistols, revolvers, and other firearms capable of being concealed on the person nonmailing and providing penalty"; to the Committee on the Post Office and Post Roads.

1068. A letter from the Secretary of the Interior, transmitting a copy of legislation passed by the Municipal Council of St. Thomas and St. John, and approved by the Governor of the Virgin Islands; to the Committee on Insular Affairs.

1069. A letter from the president, Board of Commissioners of the District of Columbia, transmitting the draft of a bill entitled "A bill to create a commission to procure a design for a flag for the District of Columbia, and for other purposes"; to the Committee on the District of Columbia.

1070. A communication from the President of the United States, transmitting six estimates of appropriation, totaling $16,880,000, for the War Department, as supplemental, and in addition, to the amounts contained under the same heads in the Budget for the fiscal year ending June 30, 1939 (H. Doc. No. 519); to the Committee on Appropriations and ordered to be printed.

1071. A communication from the President of the United States, transmitting a supplemental estimate of appropriation for the Supreme Court of the United States, for the fiscal year 1939, amounting to $4,560 (H. Doc. No. 518); to the Committee on Appropriations and ordered to be printed.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. CELLER: Committee on the Judiciary. H. R. 2709. A bill to provide for the appointment of one additional United States district judge for the eastern district of Louisiana; without amendment (Rept. No. 1760). Referred to the Committee of the Whole House on the state of the Union.

Mr. HEALEY: Committee on the Judiciary. H. R. 8565. A bill defining the compensation of persons holding positions as deputy clerks and commissioners of United States district courts, and for other purposes; without amendment (Rept. No. 1761). Referred to the Committee of the Whole House on the state of the Union.

Mr. CELLER: Committee on the Judiciary. H. R. 8826. A bill to amend section 35 of the Criminal Code, as amended (U. S. C., title 18, sec. 82), relating to purloining, stealing, or injuring property of the United States; without amendment (Rept. No. 1762). Referred to the House Calendar.

Mr. CELLER: Committee on the Judiciary. S. 2381. An act to amend the Criminal Code by providing punishment for impersonation of officers and employees of Government-owned and Government-controlled corporations; with amendment (Rept. No. 1763). Referred to House Calendar.

Mr. BLAND: Committee on Merchant Marine and Fisheries. H. R. 4201. A bill to amend section 4414 of the Revised Statutes of the United States to include Port Arthur, Tex.; with amendment (Rept. No. 1764). Referred to the Committee of the Whole House on the state of the Union.

Mr. BLAND: Committee on Merchant Marine and Fisheries. House Joint Resolution 504. Joint resolution to authorize compacts or agreements between the States bordering on the Great Lakes with respect to fishing in the waters of the Great Lakes, and for other purposes; without amendment (Rept. No. 1765). Referred to the Committee of the Whole House on the state of the Union.

Mr. O'CONNOR of New York: Committee on Rules. House Resolution 416. Resolution providing for the consideration of H. R. 8505, a bill to provide for the conservation of national soil resources and to provide an adequate and balanced flow of agricultural commodities in interstate and foreign commerce, and for other purposes; without amendment (Rept. No. 1766). Referred to the House Calendar.

Mr. COLDEN: Joint Committee on the Disposition of Executive Papers. House Report No. 1768. Report on the disposition of records in the War Department. Ordered to be printed.

Mr. COLDEN: Joint Committee on the Disposition of Executive Papers. House Report No. 1769. Report on the disposition of records in the Navy Department. Ordered to be printed.

CHANGE OF REFERENCE

Under clause 2 of rule XXII, committees were discharged from the consideration of the following bills, which were referred as follows:

A bill (H. R. 9281) extending the time for filing a claim for reimbursement for the funeral expenses of Harold P. Straus; Committee on Claims discharged, and referred to the Committee on War Claims.

A bill (H. R. 8753) for the relief of the Choctaw Cotton Oil Co. of Ada, Okla.; Committee on Claims discharged, and referred to the Committee on War Claims.

A bill (H. R. 9305) directing the payment to William H. Carter of travel allowances from Manila, P. I., to San Francisco, Calif.; Committee on Claims discharged, and referred to the Committee on War Claims.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BREWSTER: A bill (H. R. 9355) to impose a tax upon imported bread; to the Committee on Ways and Means.

By Mr. HOPE: A bill (H. R. 9356) to provide for holding terms of the district court of the United States at Hutchinson, Kans.; to the Committee on the Judiciary.

By Mr. REECE of Tennessee: A bill (H. R. 9357) to authorize the officers of the Veterans' Administration to execute, or cause to be duly executed, a lease of a parcel of land, a part of the reservation of the Veterans' Administration at Mountain Home, Tenn., to the John Sevier Chapter of the Daughters of the American Revolution, a nonprofit corporation, at Johnson City, Tenn.; to the Committee on World War Veterans' Legislation.

By Mr. DIMOND: A bill (H. R. 9358) to authorize the withdrawal and reservation of small tracts of the public domain in Alaska for schools, hospitals, and other purposes; to the Committee on Indian Affairs.

By Mr. MAY: A bill (H. R. 9359) to amend the National Defense Act of June 3, 1916, as amended by reestablishing the Regular Army Reserve, and for other purposes; to the Committee on Military Affairs.

By Mr. STEAGALL: A bill (H. R. 9360) to authorize the Secretary of the Treasury to cancel obligations of the Reconstruction Finance Corporation incurred in supplying funds for relief at the authorization or direction of Congress, and for other purposes; to the Committee on Banking and Currency.

Also, a bill (H. R. 9361) to maintain unimpaired the capital of the Commodity Credit Corporation at $100,000,000, and for other purposes; to Committee on Banking and Currency.

Also, a bill (H. R. 9362) to simplify the accounts of the Treasurer of the United States, and for other purposes; to the Committee on Banking and Currency.

By Mr. BLOOM: A bill (H. R. 9363) to establish a Podiatry Corps in the Medical Department of the Army; to the Committee on Military Affairs.

Also, a bill (H. R. 9364) to establish a Podiatry Corps in the Medical Department of the Navy; to the Committee on Naval Affairs.

By Mr. LUCKEY of Nebraska: A bill (H. R. 9365) to regulate interstate and foreign commerce in agricultural products yielding exportable surpluses; to prevent unfair competition by forbidding the purchase of certain percentages of such products from producers for less than parity farm prices; to provide for the orderly marketing of such products; to set up emergency reserves from, and to make loans on, certain export percentages; to provide for the general welfare; and for other purposes; to the Committee on Agriculture.

By Mr. RANDOLPH: A bill (H. R. 9366) to promote the general welfare through the appropriation of funds to assist the States in establishing and developing demonstration centers in adult civic education during a 3-year period; to the Committee on Education.

By Mr. TOWEY: A bill (H. R. 9367) to improve the efficiency of the Federal judiciary; to the Committee on the Judiciary.

By Mr. BLAND: A bill (H. R. 9368) to amend the act of March 4, 1915, as amended; the act of June 23, 1936; section 4551 of the Revised Statutes of the United States, as amended; and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. SAUTHOFF: Resolution (H. Res. 417) requesting the President of the United States to furnish to the House of Representatives certain data with reference to neutrality; to the Committee on Foreign Affairs.

By Mr. O'CONNOR of New York: Joint Resolution (H. J. Res. 590) relating to the continuance on the pay roll of certain employees in cases of death or resignation of Members of the House of Representatives; to the Committee on Accounts.

MEMORIALS

Under clause 3 of rule XXII, memorials were presented and referred as follows:

By The SPEAKER: Memorial of the Legislature of the State of Kentucky, memorializing the President and the Congress of the United States to consider their resolution No. 28 of their regular session of 1938, with reference to the Agricultural Adjustment Act; to the Committee on Agriculture.

PRIVATE BILLS AND RESOLUTIONS

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

By Mr. CASE of South Dakota: A bill (H. R. 9369) granting a pension to Augustine Whitebird; to the Committee on Pensions.

Also, a bill (H. R. 9370) granting a pension to Scholastica Bobtail Bull; to the Committee on Pensions.

By Mr. DEMPSEY: A bill (H. R. 9371) authorizing the grant of a patent for certain lands in New Mexico to Mitt Taylor; to the Committee on Patents.

By Mr. GREENWOOD: A bill (H. R. 9372) for the relief of Mina Keil; to the Committee on Claims.

By Mr. KRAMER: A bill (H. R. 9373) granting a pension to Fannie Steinberg and five minor children; to the Committee on Invalid Pensions.

By Mr. McGEHEE: A bill (H. R. 9374) for the relief of the Robert E. Lee Hotel; to the Committee on Claims.

By Mr. MAY: A bill (H. R. 9375) for the relief of Fulton Combs; to the Committee on Claims.

By Mr. TEIGAN: A bill (H. R. 9376) to place Arthur A. Caswell, formerly of the United States Army, on the emergency officers' retired list; to the Committee on Military Affairs.

By Mr. TOLAN: A bill (H. R. 9377) for the relief of Sara Lee Dorsey; to the Committee on Claims.

By Mr. SCHUETZ: A bill (H. R. 9378) for the relief of John Klasek; to the Committee on Claims.

By Mr. O'NEILL of New Jersey: Concurrent resolution (H. Con. Res. 30) recognizing the services of David L. Pierson, of East Orange, N. J., in connection with the founding of Constitution Day; to the Committee on the Judiciary.

PETITIONS, ETC.

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

3985. By Mr. COLDEN: Resolution adopted by the general grievance committee, Brotherhood of Locomotive Firemen

and Enginemen, Southern Pacific Co., and Northwestern Pacific Railroad, San Francisco, Calif., recommending the passage of House bill 147, providing for the limitation of the length of trains; to the Committee on Interstate and Foreign Commerce.

3986. By Mr. FLAHERTY: Petition of Ward 3, Labor's Non-Partisan League, concerning the Schwellenbach-Allen resolution; to the Committee on Education.

3987. By Mr. FORD of California: Resolution of Studio Local Union, No. 946, Los Angeles, Calif., calling upon all organized labor affiliated with the American Federation of Labor to refrain from handling or using any or all sea food which is a product of a Japanese industry; to the Committee on Labor.

3988. By Mr. JARRETT: Petition of John H. Kiser and other signers, of Clarion, Pa., endorsing the universal service bill (H. R. 6704); to the Committee on Military Affairs.

3989. Also, petition of Walter L. Smith and other signers, of Clarion, Pa., urging passage of Sheppard-Hill bill (H. R. 6704), known as the universal service bill; to the Committee on Military Affairs.

3990. Also, petition of William H. Thompson, H. W. Spindler, and other signers, of Clarion, Pa., urging passage of the universal service bill (H. R. 6704); to the Committee on Military Affairs.

3991. Also, petition of Mr. and Mrs. J. H. Kahle and Mr. and Mrs. C. N. Kahle, and other signers, of Clarion, Pa., urging passage of House bill 6704, known as the universal service bill; to the Committee on Military Affairs.

3992. By Mr. KEOGH: Petition of the Chamber of Commerce of the State of New York concerning Federal Government reorganization; to the Committee on Government Organization.

3993. Also, petition of the Chamber of Commerce of the State of New York, concerning the withdrawal of additional water from Lake Michigan for waterway purposes; to the Committee on Military Affairs.

3994. Also, petition of the Chamber of Commerce of the State of New York, concerning the Norris, Mansfield, Rankin, and similar bills dividing the United States into seven conservation regions; to the Committee on Rivers and Harbors.

3995. Also, petition of the Chamber of Commerce of the State of New York, concerning proposed changes in Federal tax laws; to the Committee on Ways and Means.

3996. By Mr. KRAMER: Resolution of the Eagle Rock Post, No. 276, American Legion, department of California, relative to passage of the universal service bill, etc.; to the Committee on Military Affairs.

3997. Also, resolution of the board of public works of the city of Los Angeles, Calif., relative to gasoline tax, etc.; to the Committee on Ways and Means.

3998. By Mr. LAMNECK. Resolution of the Charles Bloce Post, No. 157, the American Legion, Columbus, Ohio, urging the passage of the universal service bill; to the Committee on Military Affairs.

3999. By Mr. LEAVY: Petition signed by 15 sportsmen of Spokane, Wash., and the inland empire, protesting against House bill 8323, which proposes to amend the National Fire Arms Act by including within the term "firearm" a pistol or revolver whose caliber is .32 or more and levying a tax of $1 upon each .32-caliber pistol and revolver imported into the United States; to the Committee on Ways and Means.

4000. By Mr. MEAD: Petition of Veterans of Foreign Wars, Southwestern Post, Angola, N. Y., recommending passage of House bills 8690 and 8729; to the Committee on Pensions.

4001. By Mr. PFEIFER: Petition of the Chamber of Commerce of the State of New York, New York City, concerning proposed changes in the Federal tax laws held likely to retard recovery and unlikely to produce adequate revenue; to the Committee on Ways and Means.

4002. Also, petition of the Chamber of Commerce of the State of New York, New York City, concerning the Norris, Mansfield, Rankin, and other similar bills; to the Committee on Interstate and Foreign Commerce.

4003. Also, petition of the Military Order of the Purple Heart, Inc., Department of New York, concerning inclusion of their organization in any proposed distribution of the stars and stripes fund; to the Committee on the Judiciary.

4004. Also, petition of the Chamber of Commerce of the State of New York, New York City, concerning Federal Government reorganization; to the Committee on Government Organization.

4005. Also, petition of the United Federal Workers of America, Marine Hospital Local, No. 58, Stapleton, N. Y., concerning the 5-day week for Federal workers; to the Committee on Labor.

4006. Also, petition of the National Association of Manufacturers, New York City, concerning the Clark-Connery bill; to the Committee on Labor.

4007. By the SPEAKER: Petition of the Allen-Sackhoff Tire Co., Inc., Birmingham, Ala., petitioning consideration of their resolution concerning House bill 4722, with reference to unfair competition; to the Committee on Interstate and Foreign Commerce.

4008. Also, petition of the State Bar of California, San Francisco, Calif., petitioning consideration of their resolution with reference to House Joint Resolution No. 19, which provides that the residuary fund left by the late Justice Oliver Wendell Holmes of the Supreme Court of the United States be credited to the Library of Congress Trust Fund Board; to the Committee on the Library.

SENATE

TUESDAY, FEBRUARY 8, 1938

(Legislative day of Wednesday, January 5, 1938)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

THE JOURNAL

On request of Mr. BARKLEY, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Monday, February 7, 1938, was dispensed with, and the Journal was approved.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Chaffee, one of its reading clerks, announced that the House had passed without amendment the joint resolution (S. J. Res. 191) to protect foreign diplomatic and consular officers and the buildings and premises occupied by them in the District of Columbia.

The message also announced that the House had passed the following bills of the Senate, severally with amendments, in which it requested the concurrence of the Senate:

S. 1691. An act to provide that residence requirements for judges shall not be held to apply to judges who have retired or resigned;

S. 2194. An act to provide for the semiannual inspection of all motor vehicles in the District of Columbia; and

S. 2387. An act to authorize certain officers and employees of Federal penal and correctional institutions to administer oaths.

The message further announced that the House had passed the following bills and joint resolution, in which it requested the concurrence of the Senate:

H. R. 1486. An act to amend section 30 of the act of March 2, 1917, entitled "An act to provide a civil government for Porto Rico, and for other purposes";

H. R. 3786. An act providing for the allocation of net revenues of the Shoshone power plant of the Shoshone reclamation project in Wyoming;

H. R. 4544. An act to divide the funds of the Chippewa Indians of Minnesota between the Red Lake Band and the remainder of the Chippewa Indians of Minnesota, organized as the Minnesota Chippewa Tribe;

H. R. 7369. An act to validate certain certificates of naturalization granted by the United States District Court for the District of Hawaii;