PRIVATE BILLS AND RESOLUTIONS

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

By Mr. BOLTON:

H. R. 7457. A bill granting a pension to Isabelle Herbeson; to the Committee on Invalid Pensons.

By Mr. EBERHARTER:

H. R. 7458. A bill for the relief of Amelia Maria Cavarzan; to the Committee on Immigration and Naturalization.

By Mr. KRAMER:

H. R. 7459. A bill for the relief of Bettina Bernstein; to the Committee on Immigration and Naturalization.

By Mr. PATRICK:

H. R. 7460. A bill conferring jurisdiction upon the Court of Claims to hear, determine, and render judgment on the claim of R. Brinskelle and Charlie Melcher; to the Committee on Claims.

By Mr. VAN ZANDT:

H. R. 7461. A bill for the relief of Diemer L. Bathrust; to the Committee on Claims.

PETITIONS, ETC.

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

5171. By Mr. COFFEE of Washington: Resolution of the Washington State Grange, passed at annual session at Vancouver, Wash., Harry Cheek, secretary, asserting that it will be necessary for the public-utility districts, formed for the purpose of distributing electrical power and to whom the Federal Government has loaned money for the purpose of constructing Rural Electrification Administration lines and engaging in the electric business, to purchase private utilities in order to facilitate an economic distribution of such electricity; therefore favoring Federal loans to public-utility districts for the purchase and acquisition of privately owned facilities; to the Committee on Irrigation and Reclamation.

5172. Also, resolution of the Washington State Grange, passed at annual session at Vancouver, Wash., Harry Cheek, secretary, pointing out that the act of Congress which established Bonneville Dam power development provided that 50 percent of such power should be reserved for rural communities until January 1, 1941, and stating that certain power organizations who have refused to serve the rural people except at exorbitant price rates and construction costs are now seeking to gain control of the entire Bonneville output, and that such control would be extremely detrimental; therefore urging that Congress and Frank A. Banks, acting administrator of Bonneville Dam, reserve the 50 percent of power for rural communities at least until January 1, 1943; to the Committee on Irrigation and Reclamation.

5173. Also, resolution of the Washington State Grange, passed at annual session at Vancouver, Wash., Harry Cheek, secretary, asserting that there is a bill before the Congress (S. 1675–H. R. 173) amortizing loans over a period of not less than 20 years; pointing out that a large percent of the land-bank commission loans set up on a 10-year repayment basis are becoming delinquent due to the low returns of farm crops; therefore urging that members of the Washington congressional delegation in the House and Senate work for Senate bill 1675 and House bill 173 to the end that relief should be extended on such heavy repayment charges; to the Committee on Banking and Currency.

5174. Also, resolution of the Washington State Grange, passed at annual session at Vancouver, Wash., Harry Cheek, secretary, pointing out that State officials are without adequate power to act against the private power companies who set up "phoney" organizations within States to cover part of their expenditures during campaigns against public ownership, as the organization directing such campaigns and the records necessary for action by State officials may be outside the State affected; therefore urging that Congress enact a law giving the Federal Power Commission authority to interfere when a great sum of money, in excess of a reasonable amount, is being spent in campaigns against public ownership, and where threats and intimidation are used to influence voters; to the Committee on Interstate and Foreign Commerce.

5175. Also, resolution of the Washington State Grange, passed at annual session at Vancouver, Wash., Harry Cheek, secretary, urging the enactment of a law by Congress that would compel a majority vote of all eligible voters of the United States before the United States could enter into an armed conflict on foreign soil; to the Committee on the Judiciary.

5176. By Mr. KEOGH: Petition of the United Federal Workers of America, Regional Council, New York City, concerning House bills 7157 and 7160; to the Committee on Appropriations.

5177. Also, petition of the engineers and workers on Works Progress Administration projects, sponsored by borough president, Manhattan, New York City, concerning the lending bill, amending the 19-months clause in the relief bill; to the Committee on Appropriations.

5178. Also, petition of the Social Service Employees Union, New York City, concerning certain proposed amendments to the Social Security Act; to the Committee on Ways and Means.

5179. Also, petition of the Amalgamated Utility Workers, New York City, concerning proposed amendments to the Social Security Act; to the Committee on Ways and Means.

5180. By Mr. PFEIFER: Petition of George Meany, president, New York State Federation of Labor, New York City, urging support of the housing bill (S. 591); to the Committee on Banking and Currency.

5181. Also, petition of the Social Service Employees' Union, New York City, opposing certain proposed amendments to the Social Security Act; to the Committee on Ways and Means.

5182. Also, petition of the Amalgamated Utility Workers, New York City, concerning certain proposed amendments to the Social Security Act; to the Committee on Ways and Means.

5183. Also, petition of the China Aid Council, Los Angeles, Calif., concerning Japanese embargo on war supplies; to the Committee on Foreign Affairs.

5184. Also, petition of engineers and workers of Work Projects Administration projects, sponsored by borough president, Manhattan, New York City, concerning the lending bill; to the Committee on Banking and Currency.

5185. By Mr. WOOD: Petition of F. M. Rice and 925 others, with reference to the construction of Osceola Dam on the Osage River in Missouri; to the Committee on Flood Control.

5186. Also, petition of W. T. Williams and others, with reference to proposed legislation affecting lay-offs and pay changes of Works Progress Administration employees; to the Committee on Appropriations.

5187. By the SPEAKER: Petition of the Arizona Wool Growers Association, Phoenix, Ariz., petitioning consideration of their resolutions Nos. 3 and 14, with reference to reorganization of governmental departments and reciprocal-trade agreements; to the Committee on Expenditures in the Eexecutive Departments.

5188. Also, petition of the Advertising Club of Baltimore, Baltimore, Md., petitioning consideration of their resolution with reference to the U. S. frigate *Constellation;* to the Committee on Naval Affairs.

SENATE

WEDNESDAY, AUGUST 2, 1939

The Reverend Duncan Fraser, assistant rector, Church of the Epiphany, Washington, D. C., offered the following prayer:

O God, our Father, who hast ever kept us in Thy steadfast care and love: Grant, we beseech Thee, Thy blessing on this Nation, and upon all in authority therein, especially the President of the United States and the Members of this Congress; that they may speedily conclude their labors, and,

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with a good conscience and a quiet mind, return to their several homes, grateful for the rest of body and soul which is Thine alone to give. Through Jesus Christ our Lord. Amen.

THE JOURNAL

On request of Mr. BARKLEY, and by unanimous consent, the reading of the Journal of the proceedings of Tuesday, August 1, 1939, was dispensed with, and the Journal was approved.

CALL OF THE ROLL

Mr. MINTON. 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	Danaher	Lee	Shipstead
Andrews	Davis	Lucas	Slattery
Ashurst	Downey	Lundeen	Smathers
Austin	Ellender	McCarran	Smith
Bailey	George	McKellar	Stewart
Bankhead	Gerry	Maloney	Taft
Barkley	Gibson	Miller	Thomas, Okla.
Bilbo	Guffey	Minton	Thomas, Utah
Bone	Gurney	Murray	Tobey
Borah	Hale	Neely	Townsend
Bridges	Harrison	Norris	Truman
Brown	Hatch	Nye	Tydings
Bulow	Hayden	O'Mahoney	Vandenberg
Burke	Herring	Pepper	Van Nuys
Byrd	Holman	Pittman	Wagner
Byrnes	Holt	Radcliffe	Walsh
Capper	Hughes	Reed	Wheeler
Chavez	Johnson, Calif.	Russell	White
Clark, Idaho	Johnson, Colo.	Schwartz	
Clark, Mo.	King	Schwellenbach	
Connally	La Follette	Sheppard	

The Senator from Florida [Mr. ANDREWS], the Senator from Arkansas [Mrs. CARAWAY], the Senator from Iowa [Mr. GILLETTE], the Senator from Rhode Island [Mr. GREEN], the Senator from Alabama [Mr. HILL], and the Senator from New York [Mr. MEAD] are absent on important public business.

The Senator from Ohio [Mr. DONAHEY], the Senator from Virginia [Mr. GLASS], the Senator from Kentucky [Mr. LOGAN], the Senator from Louisiana [Mr. OVERTON], and the Senator from North Carolina [Mr. REYNOLDS] are unavoidably detained.

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

RECIPROCAL-TRADE AGREEMENTS—NOTICE OF ADDRESS BY SENATOR LUCAS

Mr. LUCAS. Mr. President, I give notice that on tomorrow, as soon as I can obtain the floor, I shall speak for approximately 1 hour on the subject of the reciprocal-trade agreements.

TERM OF COURT AT KALISPELL, MONT.

The VICE PRESIDENT laid before the Senate the amendments of the House of Representatives to the bill (S. 474) to amend section 92 of the Judicial Code to provide for a term of court at Kalispell, Mont., which were, on page 1, line 10, to strike out all after "court" down to and including "States" in line 2 of page 2; on page 2, line 8, after "place", to insert ": *Provided,* That suitable rooms and accommodations for holding court at Lewistown and Havre are furnished without expense to the United States: *And provided further,* That suitable rooms and accommodations for holding court at Livingston and Kalispell are furnished without expense to the United States until, subject to the recommendation of the Attorney General of the United States with reference to providing such rooms and accommodations for holding court at Livingston and Kalispell, public buildings shall have been erected or other Federal space provided for court purposes in said cities"; and to amend the title so as to read: "An act to amend section 92 of the Judicial Code to provide for a term of court at Kalispell, Mont., and subject to the recommendation of the Attorney General of the United States to permit the provision of rooms and accommodations for holding court at Livingston and Kalispell, Mont."

Mr. MURRAY. I move that the Senate concur in the House amendments.

The motion was agreed to.

JESSIE M. DURST

The VICE PRESIDENT laid before the Senate the amendment of the House of Representatives to the bill (S. 809) for the relief of Jessie M. Durst which was, in line 12, after "act", to insert *"And provided further,* That such claim be filed within 6 months after the passage of this act."

Mr. LA FOLLETTE. I move that the Senate concur in the House amendment.

The motion was agreed to.

DOROTHY CLAIR, G. F. ALLEN, AND EARL WOOLDRIDGE

The VICE PRESIDENT laid before the Senate the amendment of the House of Representatives to the bill (S. 2239) for the relief of Dorothy Clair, G. F. Allen, and Earl Wooldridge, which was, in line 5, to strike out "Boy" and insert "Boy's."

Mr. THOMAS of Oklahoma. I move that the Senate disagree to the House amendment.

The motion was agreed to.

GRAND CANYON NATIONAL MONUMENT

The VICE PRESIDENT laid before the Senate the amendment of the House of Representatives to the bill (S. 6) to return a portion of the Grand Canyon National Monument to the public domain, which was, on page 3, to strike out line 21 and insert "(49 Stat. 1976)."

Mr. HAYDEN. I move that the Senate concur in the House amendment.

The motion was agreed to.

JOHANNES OR JOHN, JULIA, MICHAEL, WILLIAM, AND ANNA KOSTIUK

The VICE PRESIDENT laid before the Senate the amendments of the House of Representatives to the bill (S. 1394) for the relief of Johannes or John, Julia, Michael, William, and Anna Kostiuk, which were, in line 9, to strike out "lawfully"; and in line 11, after "1925", to insert *"Provided,* That the said Johannes or John, Julia, Michael, William, and Anna Kostiuk shall never be eligible to become citizens of the United States."

Mr. VANDENBERG. I move that the Senate concur in the House amendments.

The motion was agreed to.

HARRY K. SNYDER

The VICE PRESIDENT laid before the Senate the amendment of the House of Representatives to the bill (S. 1821) for the relief of Harry K. Snyder, which was, on page 2, line 4, after "act", to insert ": *And provided further,* That such claim be filed within 6 months after the passage of this act."

Mr. TOWNSEND. I move that the Senate concur in the House amendment.

The motion was agreed to.

ONE HUNDRED AND TWENTY-FIFTH ANNIVERSARY OF WRITING OF THE STAR-SPANGLED BANNER

The VICE PRESIDENT laid before the Senate the amendment of the House of Representatives to the joint resolution (S. J. Res. 176) providing for participation by the United States in the celebration to be held at Fort McHenry on September 14, 1939, in celebration of the one hundred and twenty-fifth anniversary of the writing of The Star-Spangled Banner, which was, on page 1, line 7, after "of" where it appears the first time, to insert "the President of the United States."

Mr. RADCLIFFE. Mr. President, the Senator from Maryland heartily endorses the amendment of the House of Representatives, and moves that the Senate concur therein.

The motion was agreed to.

EARL J. REED AND GILES J. GENTRY

The VICE PRESIDENT laid before the Senate the amendment of the House of Representatives to the bill (S. 1429) for the relief of Earl J. Reed and Giles J. Gentry, which was, on page 2, line 5, to strike out all after *"Provided",* down to and including "$1,000" in line 17, and insert "That no part

of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

Mr. PEPPER. I move the Senate concur in the House amendment.

The motion was agreed to.

Several Senators addressed the Chair.

The VICE PRESIDENT. Let the Chair state, for the benefit of the Senate, that the Senate took an adjournment at the conclusion of yesterday's session. Ordinarily, following an adjournment, the Senate goes through with all the routine of petitions and memorials, bills, joint resolutions, and so forth. After that order shall have been concluded, it is the purpose of the Chair, at the suggestion of the majority leader, to recognize the Senator from South Carolina [Mr. BYRNES] for the purpose of calling up a bill. Senators desiring to speak will have an opportunity to do so at that time. The Chair thinks he should make that statement in order that the Senate may know the situation.

SUPPLEMENTAL ESTIMATES—DAMAGE CLAIMS (S. DOC. NO. 102)

The VICE PRESIDENT laid before the Senate a communication from the President of the United States, transmitting, pursuant to law, supplemental estimates of appropriations to pay claims for damages to privately owned property adjusted and determined by the Federal works agency, Work Projects Administration, $488.14; the Department of Agriculture, $323.67; the Department of the Interior, $87.43; the Navy Department, $126.61, and the War Department, $2,393.52, in total amount, $3,419.37, which, with the accompanying papers, was referred to the Committee on Appropriations, and ordered to be printed.

SUPPLEMENTAL ESTIMATES, NAVY DEPARTMENT (S. DOC. NO. 103)

The VICE PRESIDENT laid before the Senate a communication from the President of the United States, transmitting, pursuant to law, estimates of appropriations to pay claims for damages by collision or damages incident to the operations of vessels of the Navy, amounting to $3,841.11, which, with the accompanying papers, was referred to the Committee on Appropriations and ordered to be printed.

SUPPLEMENTAL ESTIMATE—PURCHASE OF MOTOR SHIPS (S. DOC. NO. 110)

The VICE PRESIDENT laid before the Senate a communication from the President of the United States, transmitting, pursuant to law, a supplemental estimate of appropriation for the Navy Department, fiscal year 1940, amounting to $2,500,000 for the purchase from the Maritime Commission of two motor ships and their conversion for use as naval vessels, which, with the accompanying paper, was referred to the Committee on Appropriations and ordered to be printed.

SUPPLEMENTAL ESTIMATE, DEPARTMENT OF STATE (S. DOC. NO. 104)

The VICE PRESIDENT laid before the Senate a communication from the President of the United States, transmitting, pursuant to law, an estimate of appropriation for the Department of State to pay a claim for personal injury and death arising in China, amounting to $750, which, with the accompanying papers, was referred to the Committee on Appropriations and ordered to be printed.

SUPPLEMENTAL ESTIMATE—PAYMENT TO GOVERNMENT OF PANAMA (S. DOC. NO. 109)

The VICE PRESIDENT laid before the Senate a communication from the President of the United States, transmitting, pursuant to law, a supplemental estimate of appropriation for the Department of State for the fiscal years 1934 to 1940, inclusive, for payment to the Government of Panama in accordance with the provisions of the treaty signed between the United States and Panama on March 2, 1936, amounting to $2,010,000, which, with the accompanying paper, was referred to the Committee on Appropriations and ordered to be printed.

PROVISION PERTAINING TO FOREIGN SERVICE PAY ADJUSTMENT (S. DOC. NO. 107)

The VICE PRESIDENT laid before the Senate a communication from the President of the United States, transmitting draft of a proposed provision pertaining to the appropriation "Foreign Service pay adjustment, 1940," which, with the accompanying paper, was referred to the Committee on Appropriations and ordered to be printed.

PROVISION PERTAINING TO AN APPROPRIATION FOR DEPARTMENT OF LABOR (S. DOC. NO 106)

The VICE PRESIDENT laid before the Senate a communication from the President of the United States, transmitting a proposed provision pertaining to an appropriation for the Department of Labor entitled "Transporting Filipinos to the Philippine Islands, 1937–December 31, 1938," which was referred to the Committee on Appropriations and ordered to be printed.

DEFICIENCY ESTIMATE—LEGISLATIVE ESTABLISHMENT (S. DOC. NO. 111)

The VICE PRESIDENT laid before the Senate a communication from the President of the United States, transmitting, pursuant to law, a deficiency estimate of appropriation for the legislative establishment, contingent expenses, United States Senate, fiscal year 1939, in amount of $30,000, which, with the accompanying papers, was referred to the Committee on Appropriations and ordered to be printed.

SUPPLEMENTAL ESTIMATE, LEGISLATIVE ESTABLISHMENT, SENATE (S. DOC. NO. 108)

The VICE PRESIDENT laid before the Senate a communication from the President of the United States, transmitting, pursuant to law, a supplemental estimate of appropriation for the legislative establishment, salaries, United States Senate, for the fiscal year 1940, in amount of $176,400, which, with the accompanying papers, was referred to the Committee on Appropriations and ordered to be printed.

RELIEF OF FORMER DISBURSING OFFICERS AND EMPLOYEES OF VETERANS' ADMINISTRATION

The VICE PRESIDENT laid before the Senate a letter from the Administrator of Veterans' Affairs, transmitting a draft of proposed legislation to allow credit in the accounts of certain former disbursing officers of the Veterans' Administration, to relieve certain employees from financial liability, and for other purposes, which, with the accompanying papers, was referred to the Committee on Finance.

1940 RELIEF ACT

Mr. CAPPER. Mr. President, I present for appropriate reference a petition from Hon. Don C. McCombs, mayor of the city of Kansas City, Kans., approved by the Board of Commissioners, and duly attested by Howard Payne, city clerk, which I ask may be printed in the RECORD.

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

CITY OF KANSAS CITY, KANS.,
DEPARTMENT OF FINANCE AND REVENUE,
July 26, 1939.

Senator ARTHUR CAPPER,
Washington, D. C.

HONORABLE SIR: In the interest of a more just provision for the needs of the unemployed, we earnestly petition you to work and vote for the following changes in the 1940 Relief Act:

1. Restore the prevailing hourly wages on all W. P. A. jobs.
2. Increase the monthly wages in the South, but without cutting wages in the North and West.
3. Stop arbitrary lay-off of hundreds of thousands of W. P. A. workers; give the President power to adjust the funds as needed.
4. Repeal the 30-day lay-off provision.
5. Restore the arts projects.

Only by making these changes can suffering be reduced among the unemployed and the States and counties be enabled to give at least some help to those others on direct relief who are unable to work or cannot find jobs.

Respectfully yours,

DON C. MCCOMBS, *Mayor.*

Approved by Board of Commissioners of the City of Kansas City, Kans., July 24, 1939.

HOWARD PAYNE, *City Clerk.*

Mr. CAPPER. Mr. President, I desire to state that I believe a serious mistake was made by Congress in striking the

prevailing-wage provision from the W. P. A. Appropriation Act. I voted to retain it; I also voted to restore the prevailing wage when it was offered as an amendment to the lending bill in the Senate last week, as also did my colleague from Kansas, Senator REED. May I express the hope that this and other injustices contained in the work-relief legislation enacted at this session will be corrected at the next session of Congress.

CIVIL SERVICE ELIGIBILITY OF VETERANS

Mr. CONNALLY. Mr. President, I present and ask to have printed in the RECORD, and appropriately referred, a resolution adopted by the Lone Star Chapter of Disabled American Veterans of the World War, Austin, Tex., relating to House bill 5101.

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

Whereas there is now pending in Congress a bill designated H. R. 5101, by Mr. STARNES of Alabama, relating to the civil-service eligibility of veterans; and

Whereas section 4 of said act provides that all disabled veterans, widows, and preference wives would have to make a passing grade of 70 before being allowed the present 10-percent disability allowance, which is 60 for passing; and

Whereas the said provision is unfair and unjust to the disabled veterans and would affect some 17 percent of such disabled veterans who heretofore passed with a 60 to 70 grade and would mean a loss of several thousand positions for disabled veterans: Therefore be it

Resolved by the Lone Star Chapter, No. 4, Disabled American Veterans of the World War, Austin, Tex., that the said chapter is unalterably opposed to the passage of the said bill; and be it further

Resolved by the said chapter that a copy of this resolution be presented to Committee on the Civil Service, both of the House of Representatives and the United States Senate, and to United States Senators SHEPPARD and CONNALLY of Texas, and Congressman LYNDON JOHNSON with a request that they do all in their power to prevent this measure being enacted into law; and be it further

Resolved, That the said chapter favors the passage of the act entitled "H. R. 5147," also introduced by Mr. STARNES of Alabama, relating to civil-service eligibility for veterans and respectfully solicits the support of Senators SHEPPARD and CONNALLY and Congressman LYNDON JOHNSON for said measure.

GAMBLING SHIPS

Mr. ASHURST presented a telegram from Earl Warren, attorney general, dated at Los Angeles, Calif., which was referred to the Committee on the Judiciary and ordered to be printed in the RECORD, as follows:

LOS ANGELES, CALIF., *July 28, 1939.*

Hon. H. F. ASHURST,
Chairman, Judiciary Committee,
United States Senate, Washington, D. C.:

Your favorable consideration of gambling-ship legislation is earnestly requested. California with approximately 1,000 miles of shore line is particularly vulnerable to the activities of such ships which have no other purpose than to nullify the State laws against illegal gambling. By anchoring more than 3 miles from shore they create jurisdictional as well as practical problems of enforcement. State and local authorities are now engaged in attempting to overcome these difficulties, but a Federal statute such as that proposed would automatically eliminate the source of trouble. Should you desire information concerning the scope of activities or any other assistance this office will gladly comply.

EARL WARREN, *Attorney General.*

REPORTS OF COMMITTEES

Mr. CHAVEZ (for Mr. FRAZIER), from the Committee on Indian Affairs, to which was referred the bill (S. 2103) to repeal the act entitled "An act to conserve and develop Indian lands and resources; to extend to Indians the right to form business and other organizations; to establish a credit system for Indians; to grant certain rights of home rule to Indians; to provide for vocational education for Indians; and for other purposes," approved June 18, 1934, and the act of June 15, 1935, supplementary thereto, reported it with amendments and submitted a report (No. 1047) thereon.

Mr. BAILEY, from the Committee on Claims, to which was referred the bill (H. R. 3962) for the relief of Grace Campbell, reported it without amendment and submitted a report (No. 1048) thereon.

He also, from the Committee on Commerce, to which was referred the bill (H. R. 5845) to provide for the establishment of a Coast Guard station on the shore of North Carolina at or near Wrightsville Beach, New Hanover County, reported it without amendment and submitted a report (No. 1053) thereon.

Mr. SCHWARTZ, from the Committee on Claims, to which was referred the bill (S. 823) for the relief of John P. Shorter, reported it with an amendment and submitted a report (No. 1049) thereon.

He also, from the same committee, to which was referred the bill (H. R. 6728) for the relief of Stacy C. Mosser, receiver for the Great Northern Majestic Building Corporation, reported it without amendment and submitted a report (No. 1050) thereon.

Mr. HUGHES, from the Committee on Claims, to which was referred the bill (S. 2384) for the relief of Lyle L. Bressler, reported it with an amendment and submitted a report (No. 1051) thereon.

Mr. LA FOLLETTE, from the Committee on Indian Affairs, to which was referred the bill (H. R. 4831) authorizing the Secretary of the Interior to pay salaries and expenses of the chairman, secretary, and interpreter of the Menominee General Council, members of the Menominee Advisory Council, and official delegates of the Menominee Tribe, reported it without amendment and submitted a report (No. 1052) thereon.

Mr. TOBEY, from the Committee on Claims, to which was referred the bill (H. R. 5704) to amend Private Law No. 310, Seventy-fifth Congress, first session, an act for the relief of D. E. Sweinhart, reported it without amendment.

Mr. BURKE, from the Committee on Claims, to which were referred the following bills, reported them severally without amendment and submitted reports thereon:

H. R. 5350. A bill for the relief of Caryl Burbank, Preston A. Stanford, and Fire Association of Philadelphia (Rept. No. 1055);

H. R. 5894. A bill for the relief of John E. Garrett (Rept. No. 1056);

H. R. 5895. A bill for the relief of James D. Larry, Sr. (Rept. No. 1057);

H. R. 6492. A bill for the relief of John L. Hicks, rural rehabilitation supervisor, Farm Security Administration, Department of Agriculture, Santa Rosa, N. Mex. (Rept. No. 1058); and

H. R. 7049. A bill for the relief of John L. Summers, former disbursing clerk, Treasury Department, and for other purposes (Rept. No. 1059).

Mr. BURKE also, from the Committee on Claims, to which was referred the bill (H. R. 6808) for the relief of Matilda Larned Bouck, reported it with an amendment and submitted a report (No. 1060) thereon.

Mr. BROWN, from the Committee on Claims, to which were referred the following bills, reported them severally without amendment and submitted reports thereon:

H. R. 3689. A bill for the relief of the Columbus Iron Works Co. (Rept. No. 1061);

H. R. 4033. A bill for the relief of Albert R. Rinke (Rept No. 1062);

H. R. 4252. A bill for the relief of J. George Bensel Co. (Rept. No. 1063);

H. R. 4875. A bill for the relief of Mamie Hoffman (Rept. No. 1064);

H. R. 5338. A bill for the relief of Mr. and Mrs. John Eckendorff, and Mr. and Mrs. Alexander G. Dorr (Rept. No. 1065);

H. R. 5803. A bill for the relief of Clyde Equipment Co. (Rept. No. 1066);

H. R. 6362. A bill for the relief of Annie Bearden, Ruth Bearden, Essie Burton, Beatrice Carter, Mary Cobb, Addie Graham, Annie Grant, Sallie Harris, Minerva Holbrooks, Omie Keese, Sallie Marett, Josie McDonald, Jessie Morris, Martha O'Shields, Mae Phillips, Leila H. Roach, Belva Surrett, and Shelley Turner (Rept. No. 1067);

H. R. 6490. A bill for the relief of W. R. Fuchs, former disbursing clerk, Department of Agriculture; J. L. Summers, former disbursing clerk; and G. F. Allen, chief disbursing officer, Division of Disbursement, Treasury Department (Rept. No. 1068); and

H. R. 6491. A bill for the relief of Roscoe B. Huston and Simeon F. Felarca (Rept. No. 1069).

Mr. PITTMAN, from the Committee on Foreign Relations, to which was referred the joint resolution (H. J. Res. 320) to amend Public Resolution No. 46, approved August 9, 1935, entitled "Joint resolution requesting the President to extend to the International Statistical Institute an invitation to hold its twenty-fourth session in the United States in 1939," reported it without amendment, and submitted a report (No. 1070) thereon.

He also, from the same committee, to which was referred the joint resolution (H. J. Res. 367) to authorize the Secretaries of War and of the Navy to assist the governments of American republics to increase their military and naval establishments, and for other purposes, reported it with an amendment and submitted a report (No. 1071) thereon.

He also, from the same committee, to which were referred the following resolutions, reported them adversely and submitted reports thereon:

S. Res. 174. Resolution for an investigation of negotiations by American citizens with the Mexican Government concerning certain oil sales (submitted by Mr. NEELY on the 31st instant) (Rept. No. 1072); and

S. Res. 177. Resolution authorizing an investigation of negotiations by American citizens or officials with the Mexican Government concerning certain oil sales (submitted by Mr. BRIDGES on the 31st instant) (Rept. No. 1073).

He also, from the Committee on the Judiciary, to which was referred the bill (S. 2773) to authorize the payment of compensation to recess appointees in certain cases, reported it with amendments and submitted a report (No. 1079) thereon.

Mr. CLARK of Missouri, from the Committee on Interoceanic Canals, to which were referred the following bills, reported them each without amendment and submitted reports thereon:

H. R. 139. A bill to amend paragraph (1) of section 96 of title 2 of the Canal Zone Code relating to method of computing annuities (Rept. No. 1076); and

H. R. 5584. A bill to amend the Canal Zone Code (Rept. No. 1077).

Mr. CONNALLY, from the Committee on Public Buildings and Grounds, to which were referred the following bill and joint resolution, reported them each without amendment and submitted reports thereon:

H. R. 6021. A bill to repeal the minimum-price limitation on sale of the Akron, Ohio, old post-office building and site (Rept. No. 1080); and

H. J. Res. 341. Joint resolution to dissolve the United States Supreme Court Building Commission (Rept. No. 1081).

PLAYA DE FLOR LAND & IMPROVEMENT CO.

On motion by Mr. HAYDEN, the Committee on Claims was discharged from the further consideration of the bill (H. R. 7132) to amend an act entitled "An act for the relief of the Playa de Flor Land & Improvement Co.," approved May 21, 1934, and it was referred to the Committee on Interoceanic Canals.

Mr. HAYDEN subsequently, from the Committee on Interoceanic Canals, to which was referred the bill (H. R. 7132) to amend an act entitled "An act for the relief of the Playa de Flor Land & Improvement Co.," approved May 21, 1934, reported it with an amendment and submitted a report (No. 1078) thereon.

BILLS AND JOINT RESOLUTIONS INTRODUCED

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

By Mr. BONE:

S. 2933. A bill to amend the Emergency Relief Appropriation Act of 1939; to the Committee on Appropriations.

By Mr. DANAHER:

S. 2934. A bill to further limit the rate of interest charged upon loans secured by liens on United States Government life (converted) insurance; to the Committee on Finance.

By Mr. LA FOLLETTE (for himself, Mr. WHEELER, and Mr. SCHWELLENBACH):

S. 2935. A bill to remove the depressing economic effects of excessive farm-mortgage debts and prevent the further increase of farm tenancy due to mortgage foreclosures, and for other purposes; to the Committee on Agriculture and Forestry.

By Mr. TAFT:

S. 2936. A bill granting an increase of pension to Addie R. Partlow;

S. 2937. A bill granting a pension to Belle Robinson;

S. 2938. A bill granting an increase of pension to Nancy Abbott;

S. 2939. A bill granting an increase of pension to Sadie M. Waitman;

S. 2940. A bill granting an increase of pension to Emma M. Brown;

S. 2941. A bill granting an increase of pension to Mary I. Converse;

S. 2942. A bill granting an increase of pension to Abigail Higbee;

S. 2943. A bill granting an increase of pension to Laura Moore;

S. 2944. A bill granting an increase of pension to Irvin O. Carson;

S. 2945. A bill granting a pension to Edith E. Pyle; and

S. 2946. A bill granting a pension to Callie Smith; to the Committee on Pensions.

By Mr. THOMAS of Oklahoma:

S. 2947. A bill authorizing the Ponca Tribe of Indians residing in the States of Oklahoma and Nebraska to submit claims to the Court of Claims; to the Committee on Indian Affairs.

By Mr. SHEPPARD:

S. 2948. A bill for the relief of Mrs. Clifford Drake Davidson; to the Committee on Claims.

By Mr. SCHWELLENBACH:

S. 2949. A bill to transfer the administration of the Commodity Exchange Act, as amended, and the Packers and Stockyards Act, 1921, as amended, to the Securities Exchange Commission; to the Committee on Agriculture and Forestry.

Mr. DANAHER. Mr. President, on behalf of the junior Senator from New Jersey [Mr. BARBOUR], I introduce for proper reference a joint resolution requesting the President to proclaim February 11 as Edison Day, in commemoration of the birthday of Thomas Alva Edison.

The VICE PRESIDENT. The joint resolution will be received and appropriately referred.

By Mr. DANAHER (for Mr. BARBOUR):

S. J. Res. 180. Joint resolution requesting the President to proclaim February 11 as Edison Day, in commemoration of the birthday of Thomas Alva Edison; to the Committee on the Judiciary.

Mr. TRUMAN. Mr. President, I introduce for proper reference a joint resolution which confirms the action of the Legislatures of the States of Missouri and Iowa over the boundary between the two States. It is introduced for the senior Senator from Missouri [Mr. CLARK] and myself and the Senators from Iowa [Mr. HERRING and Mr. GILLETTE].

The VICE PRESIDENT. The joint resolution will be received and appropriately referred.

By Mr. TRUMAN (for himself, Mr. CLARK of Missouri, Mr. HERRING, and Mr. GILLETTE):

S. J. Res. 181. Joint resolution giving the consent of the Congress to an agreement between the States of Iowa and Missouri establishing a boundary between said States; to the Committee on the Judiciary.

By Mr. PEPPER:

S. J. Res. 182. Joint resolution to amend Public Resolution No. 112, Seventy-fifth Congress; to the Committee to Audit and Control the Contingent Expenses of the Senate.

REIMBURSEMENT OF COTTON COOPERATIVE ASSOCIATIONS—AMENDMENT

Mr. McKELLAR submitted an amendment intended to be proposed by him to the bill (S. 2585) to reimburse the cotton cooperative associations for losses occasioned by the Federal Farm Board's stabilization operations, and for other purposes, which was ordered to lie on the table and to be printed.

SALE OF AGRICULTURAL COMMODITIES HELD BY COMMODITY CREDIT CORPORATION—AMENDMENTS

Mr. GEORGE. Mr. President, I send to the desk notice of amendments proposed to be offered to Senate bill 2904, to provide for the sale under certain conditions of agricultural commodities held by the Commodity Credit Corporation, the so-called barter bill, and to House bill 7171.

In order that Senators interested may know, I will say that the amendments provide that notwithstanding any other provision of law, no part of the funds appropriated by section 32 of the Agricultural Adjustment Act, as amended, and no part of the fund appropriated by the Agricultural Appropriation Act of 1939 shall be used for the purpose of paying bounties, subsidies, or benefits in connection with the exportation of unmanufactured cotton.

I ask that the amendments be printed separately and lie on the table.

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

THIRD DEFICIENCY APPROPRIATIONS—AMENDMENTS

Mr. McCARRAN submitted amendments intended to be proposed by him to House bill 7462, the third deficiency appropriation bill for 1939, which were referred to the Committee on Appropriations and ordered to be printed, as follows:

At the proper place in the bill to insert the following:

That there are hereby appropriated, out of any money in the Treasury not otherwise appropriated, for expenditure by the Department of Agriculture for the fiscal year ending June 30, 1940, the sum of $6,500, as an additional amount for Mormon cricket control research activities at the cricket research laboratory at Bozeman, Mont.; and the sum of $15,000, for the purchase of airplanes and mechanical spreaders and for salaries and expenses incident to conducting experiments in the development of better methods of applying cricket bait.

At the proper place in the bill to insert the following new section:

SEC. —. Section 15 of the Emergency Relief Appropriation Act of 1939, approved June 30, 1939, is amended to read as follows:

"SEC. 15. (a) The Federal Works Administrator (hereinafter referred to as the 'Administrator') shall fix a monthly earning schedule for persons engaged upon work projects financed in whole or in part from funds appropriated by section 1. Such monthly earning schedule shall be so fixed that the monthly earnings payable under such schedule to any class of workers shall not be less than the monthly earnings payable to such class of workers under the schedule of earnings of the Works Progress Administration in effect on June 30, 1939. After August 31, 1939, the monthly earning schedule fixed by the Administrator (1) shall not provide for differentials in the monthly earnings of workers engaged in similar work in the same wage area, and (2) shall not provide for differentials between cities or counties within the same wage area upon the basis of the degree of urbanization or any other factor that will tend to discriminate against the less urbanized areas.

"(b) The rates of pay for persons engaged upon projects financed in whole or in part from funds appropriated by this joint resolution shall not be less than the prevailing rates of pay for work of a similar nature in the same locality as determined by the Administrator and shall not be less than the current minimum wage required to be paid by private employers under the provisions of the Fair Labor Standards Act of 1938."

NOTICES OF MOTIONS TO SUSPEND THE RULE—AMENDMENTS

Mr. MURRAY submitted the following notice in writing:

Pursuant to the provisions of rule XL of the Standing Rules of the Senate, I hereby give notice in writing that I shall hereafter move to suspend paragraph 4 of rule XVI for the purpose of proposing to the bill (H. R. 7462) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1939, and for prior fiscal years, to provide supplemental appropriations for the fiscal years ending June 30, 1939, and June 30, 1940, and for other purposes, the following amendment, viz:

At the end of the bill insert the following new section:

SEC. —. Subsection (b) of section 16 of the Emergency Relief Appropriation Act of 1939 is hereby amended to read as follows:

"(b) Employable persons who have been certified as in need of employment for a period of 3 months or more shall have preference in employment over persons who have had active employment status on such works projects continuously for 18 months or more: *Provided*, That this shall not result in the discharge of a person employed on works projects where he has made a reasonable effort to find suitable private employment nor where project operations would suffer from his discharge nor where unusual hardship would result from such discharge."

Mr. MURRAY submitted an amendment intended to be proposed by him to House bill 7462, the third deficiency appropriation bill, 1939, which was referred to the Committee on Appropriations and ordered to be printed.

(For text of amendment referred to, see the foregoing notice.)

Mr. LA FOLLETTE (for himself and Mr. WHEELER) submitted the following notice in writing, which was read:

Pursuant to the provisions of rule XL of the Standing Rules of the Senate, I hereby give notice in writing that I shall hereafter move to suspend paragraph 4 of rule XVI for the purpose of proposing to House bill 7462, the third deficiency appropriation bill, 1939, the following amendment for the Senator from Montana [Mr. WHEELER] and myself, viz:

At the proper place insert the following:

"To remove the depressing economic effects of excessive farm-mortgage debts, and prevent the further increase of farm tenancy due to mortgage foreclosures, the Secretary of Agriculture shall be authorized, out of any funds of the Federal Farm Mortgage Corporation as he finds available, to refinance farm mortgages on which the payments periodically due exceed the normal farm income available for debt service. Such loans shall be subject to titles I and IV of the Bankhead-Jones Farm Tenant Act, but may be made without regard to the provisions of section 4 of said act. The Secretary of Agriculture shall administer the provisions of this section, and all repayments on account of such loans shall be credited to the account of the Federal Farm Mortgage Corporation."

Mr. LA FOLLETTE (for himself and Mr. WHEELER) submitted an amendment intended to be proposed by them to House bill 7462, the third deficiency appropriation bill, 1939, which was referred to the Committee on Appropriations and ordered to be printed.

(For text of amendment referred to, see the foregoing notice.)

INVESTIGATION OF CERTAIN HYDROELECTRIC AND RECLAMATION PROJECTS IN NEBRASKA

Mr. BRIDGES submitted the following resolution (S. Res. 179), which was referred to the Committee on Commerce:

Whereas the Public Works Administration has committed the Federal Government to the construction of three hydroelectric and reclamation projects in the State of Nebraska, commonly known as the Loup River project, the Central Valley project, and the Platte River project; and

Whereas investigations and studies by the Corps of Engineers of the United States Army, by the Reclamation Bureau, and, in the case of the Central Valley project, by the Public Works Administration engineers, had adversely reported on these projects as impracticable from the standpoint both of sound engineering and sound economics; and

Whereas the Central Valley project was authorized with the full knowledge of the Public Works Administration that the waters to be diverted from the Platte River had already been overappropriated by water users within the watershed of the Platte Valley; and

Whereas the stream bed below the site of the Kingsley Dam (now under construction) was on July 27, 1939, entirely dry for a stretch of more than 100 miles, and that the same stream was entirely dry at this stretch for 222 consecutive days in a recent year; and

Whereas to further Federal power and jurisdiction over the Platte River the Federal Power Commission has claimed jurisdiction over this dry western stream on the absurd fiction that it is navigable; and

Whereas the Kingsley Dam, planned to be the second largest earth-filled dam in the world, will have a storage capacity of 2,000,000 acre-feet of water while the total average discharge of the river at that point is recorded as 1,500,000 acre-feet; and

Whereas the Loup River project was undertaken soon after an adverse report by the Corps of Engineers on engineering and economic grounds, which have since been amply justified; and

Whereas seepage, silt, and ice conditions, erratic stream flow, lack of market for electric energy, and other faults give cause for grave concern that many millions of dollars have been squandered in the face of official adverse reports; and

Whereas political considerations may have controlled the granting of funds for these projects, according to widely spread and never denied charges, particularly as to the peculiar circumstances surrounding the authorizations for the Central Valley project; and

Whereas numerous charges of discrimination against water users; unduly high commissions to banking interests; of coercion of local participants; of favoritism to engineering firms composed of former Nebraska employees of the Public Works Administration; of coercion of the local boards and authorities in charge of the projects by the Public Works Administration or its field representatives; of lawless infringement of State water laws; of unsound financing; of poor construction and engineering; of incompetence and inefficiency; of lobbying in the State legislature; of false and misleading propaganda and pressure on local newspapers; of unwholesome political activity; and

Whereas the conditions set forth above, if true, create a situation of grave concern to the Nation, threatening the orderly processes of law and of government, destructive of local self-government, establishing a bureaucratic supergovernment within the framework of

democratic forms which might prove dangerous to the continuance of free democracy if established in the Nation: Now, therefore, be it

Resolved, That the Senate Commerce Committee, or any subcommittee thereof, is authorized and directed to make a complete study of and report to the Senate upon all of the matters referred to in this resolution and any other matters pertinent to such an inquiry, with a special view to making specific recommendations for necessary remedial legislation; and be it further

Resolved, That for the purpose of this resolution the committee, or any duly authorized subcommittee thereof, is authorized to hold public hearings; to sit and act at such times and places during the sessions, recesses, and adjourned periods of the Senate during the Seventy-sixth and succeeding Congresses; to employ such experts and clerical, stenographic, and other assistants; to require by subpena or otherwise the attendance of such witnesses and the production of such books, papers, and documents; to administer such oaths; and to take such testimony and to make such expenditures as it deems advisable. The cost of stenographic services to report such hearings shall not be in excess of 25 cents per 100 words. The expense of the committee, or any duly authorized subcommittee, which shall not exceed $100,000, shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the committee or any duly authorized subcommittee thereof.

MOTHER'S DAY

[Mr. BARKLEY asked and obtained leave to have printed in the RECORD an article on Mother's Day by Dan McConnell, of Camden, N. J., which appears in the Appendix.]

ADDRESS BY STEPHEN F. CHADWICK BEFORE AMERICAN BAR ASSOCIATION MEETING

[Mr. BURKE asked and obtained leave to have printed in the RECORD an address delivered by Stephen F. Chadwick, national commander of the American Legion, at the annual dinner of the American Bar Association at San Francisco, Calif., July 13, 1939, which appears in the Appendix.]

JUDICIAL APPOINTMENTS

[Mr. REED asked and obtained leave to have printed in the RECORD an editorial from the Pittsburgh Sun, of Pittsburgh, Kans., of the issue of July 28, 1939, on the subject of the appointment of judges, which appears in the Appendix.]

THIRTIETH ANNIVERSARY OF AMERICAN AVIATION

[Mr. LUNDEEN asked and obtained leave to have printed in the RECORD articles and data relating to the development of aviation, which appears in the Appendix.]

TIME AND TIDE

[Mr. NYE asked and obtained leave to have printed in the RECORD an editorial by Herbert Agar, published in the Louisville Courier Journal of March 29, 1939, entitled "Time and Tide," which appears in the Appendix.]

SHIPMENT OF MUNITIONS TO JAPAN

[Mr. NYE asked and obtained leave to have printed in the RECORD an article in the Christian Science Monitor of June 27, 1939, under the headline, "Where Japan Gets Its Guns—United States Found Leading Provider," which appears in the Appendix.]

PROGRAM FOR FINANCING RECOVERABLE EXPENDITURES—EDITORIAL FROM PHILADELPHIA RECORD

[Mr. GUFFEY asked and obtained leave to have printed in the RECORD an editorial from the Philadelphia Record of issue of August 2, 1939, relative to the action of the House of Representatives in connection with Senate bill 2864 to provide for the financing of a program of recoverable expenditures, and for other purposes, which appears in the Appendix.]

BUSINESS IMPROVEMENT

[Mr. RADCLIFFE asked and obtained leave to have printed in the RECORD an editorial by Arthur Krock entitled "The First Harbinger of Good Business News," an editorial from Labor entitled, "Nature Mocks Intelligence of Men," and an article by David Lawrence entitled "Senate Gives 'Go' Signal to Business," which appear in the Appendix.]

CONVEYANCE OF EASEMENTS TO CITY OF NEW YORK—RECOMMITTAL OF BILL

Mr. WALSH. Mr. President, on July 14 the Senate passed Senate bill 2662, authorizing the Secretary of the Treasury to convey an easement in certain lands to the city of New York, and for other purposes. I reported the bill favorably from the Committee on Public Buildings and Grounds. It was introduced by the Senator from New York [Mr. WAGNER]. On the day after the bill was passed I moved that the vote by which the bill was passed be reconsidered. That motion is pending. I ask unanimous consent that the vote by which the bill was passed be reconsidered, and that the bill be recommitted to the Committee on Public Buildings and Grounds.

The VICE PRESIDENT. Without objection, the vote by which the bill was passed will be reconsidered, and the bill will be recommitted, as requested by the Senator from Massachusetts.

AMENDMENT OF PATENT STATUTES—MOTION TO RECONSIDER

Mr. WHEELER. Mr. President, I enter a motion to reconsider the vote by which Senate bill 2688, to amend section 4884 of the Revised Statutes (U. S. C., title 35, sec. 40), was passed yesterday. I was out of the Chamber at the time, otherwise I should have objected to the passage of the bill.

The VICE PRESIDENT. The motion will be entered.

J. C. GRICE

The VICE PRESIDENT laid before the Senate the amendment of the House of Representatives to the bill (S. 891) for the relief of J. C. Grice, which was, on page 1, line 12, to strike out all after the word *"Provided"*, down to and including "$1,000" in line 12 of page 2, and insert "That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

Mr. BAILEY. I move that the Senate concur in the amendment of the House.

The motion was agreed to.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States were communicated to the Senate by Mr. Latta, one of his secretaries.

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 the bill (S. 1708) to amend the Employers' Liability Act, with an amendment, in which it requested the concurrence of the Senate.

The message also announced that the House had agreed to the amendment of the Senate to the bill (H. R. 2346) for the relief of Virgil Kuehl, a minor.

The message further announced that the House had agreed to the amendments of the Senate to the bill (H. R. 7411) authorizing the construction, repair, and preservation of certain public works on rivers and harbors, and for other purposes.

The message also announced that the House had passed a bill (H. R. 5129) authorizing and providing for the construction of additional facilities on the Canal Zone for the purposes of more adequately providing for the defense of the Panama Canal and for increasing its capacity for the future needs of interoceanic shipping, in which it requested the concurrence of the Senate.

The message further announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (S. 839) to amend the Retirement Act of April 23, 1904.

The message informed the Senate that Mr. JENKINS of Ohio had been appointed manager 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. 6635) to amend the Social Security Act, and for other purposes, vice Mr. KNUTSON, resigned.

ENROLLED BILLS AND JOINT RESOLUTIONS SIGNED

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

S. 5. An act to grant certain lands to the Arizona State Elks Association Hospital;

S. 68. An act for the relief of the San Francisco Mountain Scenic Boulevard Co.;

S. 185. An act to amend section 224 of the Criminal Code so as to penalize the making of false claims for the loss of insured mail matter;

S. 190. An act to authorize the temporary appointment of a special judge for the District Court of the Virgin Islands;

S. 432. An act to provide for the public auction of certain town lots within the city of Parker, Ariz.;.

S. 555. An act for the relief of Addison B. Hampel;

S. 683. An act for the relief of Fae Banas;

S. 755. An act to confer jurisdiction upon the Court of Claims to hear, determine, and render judgment upon the claim of the Borg-Warner Corporation;

S. 765. An act for the relief of Hugh McGuire;

S. 1081. An act for the relief of John B. Jones;

S. 1156. An act to authorize the transfer to the jurisdiction of the Secretary of the Treasury of portions of the property within the military reservation known as the Morehead City Target Range, N. C., for the construction of improvements thereon, and for other purposes;

S. 1211. An act for the relief of Jesse Claud Branson;

S. 1229. An act for the relief of Ernest Clinton and Frederick P. Deragisch;

S. 1282. An act to extend the privilege of retirement for disability to judges appointed to hold office during good behavior;

S. 1322. An act for the relief of Dorothy Clair Hester, daughter of E. R. Hester;

S. 1339. An act for the relief of Grace S. Taylor;

S. 1414. An act for the relief of Allie Holsomback and Lonnie Taylor;

S. 1430. An act for the relief of the legal guardian of Dorothy Elizabeth Sisson, a minor;

S. 1467. An act for the relief of the Standard Oil Co., Inc., in Kentucky;

S. 1527. An act for the relief of Joseph Lopez Ramos;

S. 1688. An act for the relief of Joseph W. Parse;

S. 1722. An act for the relief of Hannis Hoven;

S. 1773. An act to provide that no statute of limitations shall apply to offenses punishable by death;

S. 1812. An act for the relief of A. E. Bostrom;

S. 1823. An act for the relief of William E. Cowen;

S. 1874. An act to amend the Criminal Code in regard to obtaining money by false pretenses on the high seas;

S. 1882. An act for the relief of Thomas A. Ross;

S. 1901. An act to extend to Sgt. Maj. Leonard E. Browning, United States Marine Corps, the benefits of the act of May 7, 1932, providing highest World War rank to retired enlisted men;

S. 1996. An act to extend the times for commencing and completing the construction of a bridge across the Columbia River at Astoria, Clatsop County, Oreg.;

S. 2023. An act for the relief of C. L. Herren;

S. 2054. An act for the relief of Joseph Alder, E. G. Allen, and E. G. Allen and By Hanchett jointly;

S. 2061. An act for the relief of William Hillock;

S. 2067. An act for the relief of Leslie J. Frane and Charles Frane;

S. 2082. An act for the relief of Hugh A. Smith;

S. 2114. An act for the relief of Virginia Pearson;

S. 2179. An act for the relief of Guy F. Allen, chief disbursing officer, Division of Disbursement, Treasury Department;

S. 2188. An act granting the consent of Congress to the Providence, Warren & Bristol Railroad Co. to construct, maintain, and operate a railroad bridge across the Warren River at or near Barrington, R. I.;

S. 2242. An act creating the Memphis and Arkansas Bridge Commission; defining the authority, power, and duties of said commission; and authorizing said commission and its successors and assigns to construct, maintain, and operate a bridge across the Mississippi River at or near Memphis, Tenn.; and for other purposes;

S. 2245. An act to prohibit the use of the mails for the solicitation of the procurement of divorces in foreign countries;

S. 2275. An act for the relief of Floyd M. Dunscomb;

S. 2306. An act relating to the construction of a bridge across the Missouri River between the towns of Decatur, Nebr., and Onawa, Iowa;

S. 2366. An act for the relief of Franklin C. Richardson;

S. 2370. An act for the relief of Corinne W. Bienvenu (nee Corinne Wells);

S. 2392. An act to legalize a bridge across Bayou La Fourche at Cut Off, La.;

S. 2407. An act granting the consent of Congress to the counties of Valley and McCone, Mont., to construct, maintain, and operate a free highway bridge across the Missouri River at or near Frazer, Mont.;

S. 2454. An act to relieve disbursing officers and certifying officers of the Veterans' Administration from liability for payment where recovery of such payment is waived under existing laws administered by the Veterans' Administration;

S. 2484. An act to extend the times for commencing and completing the construction of a bridge across the Missouri River at or near Arrow Rock, Mo.;

S. 2502. An act authorizing the county of Howard, State of Missouri, to construct, maintain, and operate a toll bridge across the Missouri River at or near Petersburg, Mo.;

S. 2513. An act for the relief of certain persons whose property was damaged or destroyed as a result of the crashes of two airplanes of the United States Navy at East Braintree, Mass., on April 4, 1939;

S. 2526. An act to authorize Leonhard Stejneger, of the United States National Museum, to accept certain decoration from the Norwegian Government;

S. 2563. An act to legalize a free highway bridge now being constructed across the Des Moines River at Levy, Iowa;

S. 2564. An act granting the consent of Congress to the Iowa State Highway Commission to construct, maintain, and operate a free highway bridge across the Des Moines River at or near Red Rock, Iowa;

S. 2574. An act authorizing the construction of a highway bridge across the Chesapeake and Delaware Canal at St. Georges, Del.;

S. 2589. An act to authorize the construction of a bridge across the Ohio River at or near Mauckport, Harrison County, Ind.;

S. 2634. An act to reserve to the United States for the Bonneville project a right-of-way across certain Indian lands in the State of Washington, subject to the consent of the individual allottees and the payment of compensation, and for other purposes;

S. 2738. An act to ratify and confirm Act 58 of the Session Laws of Hawaii, 1939, extending the time within which revenue bonds may be issued and delivered under Act 174 of the Session Laws of Hawaii, 1935;

S. 2784. An act to amend section 4 of the act entitled "An act to provide a civil government for the Virgin Islands of the United States," approved June 22, 1936;

S. 2788. An act to amend the act entitled "An act for the grading and classification of clerks in the Foreign Service of the United States of America, and providing compensation therefor," approved February 23, 1931, as amended;

H. R. 543. An act for the relief of Imogene Enley;

H. R. 1177. An act for the relief of Bessie Bear Robe;

H. R. 1436. An act for the relief of William H. Keesey;

H. R. 1881. An act for the relief of Anne Boice;

H. R. 2102. An act for the relief of Ada Fuller;

H. R. 2514. An act for the relief of G. E. Williams;

H. R. 2750. An act to prohibit the issuance and coinage of certain commemorative coins, and for other purposes;

H. R. 2875. An act to provide that pensions payable to the widows and orphans of deceased veterans of the Spanish-American War, Boxer Rebellion, or Philippine Insurrection

shall be effective as of date of death of the veteran, if claim is filed within 1 year thereafter;

H. R. 2971. An act for the relief of certain Indians of the Winnebago Agency;

H. R. 3025. An act to amend an act entitled "An act to reserve lands to the Territory of Alaska for educational uses, and for other purposes," approved March 4, 1915 (38 Stat. 1214–15);

H. R. 3084. An act for the relief of Violet Dewey;

H. R. 3157. An act for the relief of Franklin Lopez, administrator of the goods, chattels, and credits which were of Alice C. Lopez, deceased;

H. R. 3215. An act to amend the act of March 2, 1929 (45 Stat. 536);

H. R. 3337. An act for the relief of the estate of Arthur Weltner;

H. R. 3345. An act for the relief of the Ninety Six Oil Mill, of Ninety Six, S. C.;

H. R. 3795. An act to provide a right-of-way through the Chilkoot Barracks Military Reservation, Alaska;

H. R. 4008. An act to authorize an exchange of lands between the War Department and the Department of Labor;

H. R. 4100. An act to amend the naturalization laws in relation to an alien previously lawfully admitted into the United States for permanent residence and who is temporarily absent from the United States solely in his or her capacity as a regularly ordained clergyman or representative of a recognized religious denomination or religious organization existing in the United States;

H. R. 4264. An act for the relief of Corabell Wuensch, Jackie Lee Wuensch, and Mary Rainbolt;

H. R. 4306. An act to make the United States Coast Guard Academy library a public depository for Government publications;

H. R. 4434. An act to provide for the abatement of personal taxes from insolvent building associations in the District of Columbia;

H. R. 4609. An act for the relief of Charles Enslow;

H. R. 4733. An act to provide for the issuance of a license to practice chiropractic in the District of Columbia to Laura T. Corriveau;

H. R. 4742. An act to provide for the establishment of the Chalmette National Historical Park in the State of Louisiana, and for other purposes;

H. R. 4783. An act to provide a right-of-way;

H. R. 4784. An act to provide a right-of-way;

H. R. 4847. An act for the relief of Leland J. Belding;

H. R. 4983. An act to amend sections 712, 802, and 902 of the Merchant Marine Act, 1936, as amended, relative to the requisitioning of vessels;

H. R. 5450. An act to extend the time within which applications for benefits under the World War Adjusted Compensation Act, as amended, may be filed;

H. R. 5516. An act for the relief of Charlotte E. Hunter;

H. R. 5743. An act for the relief of Walter C. Holmes;

H. R. 5912. An act authorizing the Secretary of War to permit Salt Lake City, Utah, to construct and maintain certain roads, streets, and boulevards across the Fort Douglas Military Reservation;

H. R. 5988. An act to amend an act entitled "An act to require the registration of certain persons employed by agencies to disseminate propaganda in the United States and for other purposes," approved June 8, 1938 (Public Law No. 583, 75th Cong., 3d sess.);

H. R. 6114. An act to authorize postmasters within the Territory of Alaska to administer oaths and affirmations, and for other purposes;

H. R. 6266. An act providing for the incorporation of certain persons as Group Hospitalization, Inc.;

H. R. 6268. An act to authorize the Commissioner of Internal Revenue to make certain allowances for losses by leakage and evaporation upon withdrawal of packages of brandy or fruit spirits under certain conditions;

H. R. 6273. An act to exempt certain motorboats from the operation of sections 4 and 6 of the Motor Boat Act of June 9, 1910, and from certain other acts of Congress, and to provide that certain motorboats shall not be required to carry on board copies of the pilot rules;

H. R. 6320. An act to establish the status of funds and employees of the United States Naval Academy laundry;

H. R. 6405. An act authorizing the sale of certain real estate in the District of Columbia no longer required for public purposes;

H. R. 6538. An act to amend the Agricultural Adjustment Act of 1938;

H. R. 6539. An act to amend the Agricultural Adjustment Act of 1938;

H. R. 6540. An act to amend the Agricultural Adjustment Act of 1938;

H. R. 6541. An act to amend the Agricultural Adjustment Act of 1938;

H. R. 6555. An act to amend the act of March 28, 1928 (45 Stat. 374), as amended, relating to the advance of funds in connection with the enforcement of acts relating to narcotic drugs, so as to permit such advances in connection with the enforcement of the Marihuana Tax Act of 1937, and to permit advances of funds in connection with the enforcement of the customs laws;

H. R. 6872. An act to amend sections 4886, 4887, 4920, and 4929 of the Revised Statutes (U. S. C., title 35, secs. 31, 32, 69, and 73);

H. R. 6873. An act to amend sections 4904, 4909, 4911, and 4915 of the Revised Statutes (U. S. C., title 35, secs. 52, 57, 59a, and 63);

H. R. 6875. An act to amend section 4903 of the Revised Statutes (U. S. C., title 35, sec. 51);

H. R. 6899. An act granting pensions to certain veterans of the Civil War;

H. R. 6925. An act to waive the age limit for appointment as second lieutenant, Regular Army, of certain persons now on active duty with the Air Corps;

H. R. 7086. An act to provide for insanity proceedings in the District of Columbia;

H. R. 7263. An act to permit the importation free of duty of certain literature for distribution at the Golden Gate International Exposition of 1939;

H. R. 7320. An act to amend the District of Columbia Revenue Act of 1939, and for other purposes;

H. J. Res. 183. Joint resolution authorizing the Librarian of Congress to return to Williamsburg Lodge, No. 6, Ancient Free and Accepted Masons, of Virginia, the original manuscript of the record of the proceedings of said lodge;

H. J. Res. 188. Joint resolution authorizing the delegation of certain authority within the Department of Agriculture;

H. J. Res. 264. Joint resolution to approve the action of the Secretary of the Interior deferring the collection of certain irrigation construction charges against lands under the San Carlos and Flathead Indian irrigation projects;

H. J. Res. 272. Joint resolution to provide for the observance and celebration of the one hundred and fiftieth anniversary of the settlement of the city of Gallipolis, Ohio;

H. J. Res. 315. Joint resolution to provide for the adjudication by a Commissioner of Claims of American nationals against the Government of the Union of Soviet Socialist Republics; and

H. J. Res. 340. Joint resolution providing that the farmers' market in blocks 354 and 355 in the District of Columbia shall not be used for other purposes.

HOUSE BILL REFERRED

The bill (H. R. 5129) authorizing and providing for the construction of additional facilities on the Canal Zone for the purposes of more adequately providing for the defense of the Panama Canal and for increasing its capacity for the future needs of interoceanic shipping, was read twice by its title and referred to the Committee on Interoceanic Canals.

SIGVARD C. FORO

The VICE PRESIDENT laid before the Senate the amendments of the House of Representatives to the bill (S. 1092) for the relief of Sigvard C. Foro, which were, on page 1, line 4, to strike out all after "money" down to and including "Corps" in line 6 and insert "in the Treasury not

otherwise appropriated"; on page 1, line 7, to strike out "$3,621.75" and insert "$2,500"; and on page 1, line 12, to strike out all after "*Provided,*" down to and including "$1,000" in line 12 of page 2 and insert "That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

Mr. SHIPSTEAD. I move that the Senate concur in the amendments of the House.

The motion was agreed to.

RUSSELL B. HENDRIX

The VICE PRESIDENT laid before the Senate the amendment of the House of Representatives to the bill (S. 2408) for the relief of Russell B. Hendrix, which was, on page 1, lines 6 and 7, to strike out "$4,701.75. Such sum shall be" and insert "$3,851.75."

Mr. MINTON. I move that the Senate concur in the amendment of the House.

The motion was agreed to.

MONTIE S. CARLISLE

The VICE PRESIDENT laid before the Senate the amendment of the House of Representatives to the bill (S. 1816) for the relief of Montie S. Carlisle, which was, on page 1, line 6, to strike out "$1,000" and insert "$500."

Mr. CHAVEZ. I move that the Senate concur in the amendment of the House.

The motion was agreed to.

ELIZABETH E. BURKE

The VICE PRESIDENT laid before the Senate the amendment of the House of Representatives to the bill (S. 1905) for the relief of Elizabeth E. Burke, which was, on page 1, line 11, to strike out all after "*Provided,*" down to and including "$1,000" in line 11 of page 2 and insert "That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

Mr. WALSH. I move that the Senate concur in the amendment of the House.

The motion was agreed to.

CALL OF THE CALENDAR DISPENSED WITH

The VICE PRESIDENT. Routine morning business is closed. The Calendar under Rule VIII is in order.

Mr. BARKLEY. Mr. President, I ask unanimous consent that the call of the calendar be dispensed with.

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

AMENDMENT OF SECTION 77 OF BANKRUPTCY ACT AS TO PREFERRED CLAIMS

Mr. TRUMAN. Mr. President, I ask unanimous consent that the vote by which Senate bill 2654, to amend subsection (n), section 77, of the Bankruptcy Act, as amended, concerning payment of preferred claims, was passed yesterday be reconsidered for the purpose of striking from the bill two amendments which were adopted inadvertently, the last two amendments in the bill. I have the consent of the Senator from Vermont [Mr. AUSTIN] and the Senator from Nebraska [Mr. BURKE], who composed the subcommittee of the Committee on the Judiciary, which reported the bill.

The VICE PRESIDENT. Is there objection to the request of the Senator from Missouri? The Chair hears none, and the vote is reconsidered.

Mr. AUSTIN. A parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. AUSTIN. Has the Senate accepted and passed Senate bill 2654 as so amended?

The VICE PRESIDENT. Does the Senator refer to the bill covered by the request of the Senator from Missouri?

Mr. AUSTIN. I refer to that bill.

The VICE PRESIDENT. The Chair refers the inquiry to the Senator from Missouri.

Mr. TRUMAN. I did not hear the question.

Mr. AUSTIN. My question was a parliamentary inquiry, as to whether the Senate by its act has agreed to the bill as amended in the manner suggested by the Senator from Missouri.

Mr. TRUMAN. That is a question I refer to the Vice President.

The VICE PRESIDENT. The Chair put the request of the Senator from Missouri and there was no objection so the Chair assumed that the Senate agreed to the request.

Mr. AUSTIN. I ask unanimous consent that the bill as so corrected be passed by the Senate.

The VICE PRESIDENT. Without objection, the votes by which the amendments on page 2, lines 2 and 4, were agreed to are reconsidered, and the question is on agreeing to the amendment on page 2, line 2.

The amendment was rejected.

The VICE PRESIDENT. The question is now on the amendment on page 2, line 4.

The amendment was rejected.

The VICE PRESIDENT. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the first sentence of section 77, subsection (n), of the Bankruptcy Act, as amended, be further amended to read as follows:

"(n) In proceedings under this section, and in equity receiverships of railroad corporations now or hereafter pending in any court of the United States, claims for personal injuries to employees of a railroad corporation, claims of personal representatives of deceased employees of a railroad corporation, arising under State or Federal laws and claims now or hereafter payable by sureties upon supersedeas, appeal, attachment, or garnishment bonds, executed by sureties without security, for and in any action brought against such railroad corporation or trustees appointed pursuant to this section, shall be preferred and paid out of the assets of such railroad corporation as operating expenses of such railroad."

SALE OF SURPLUS AGRICULTURAL COMMODITIES

Mr. BYRNES. Mr. President, I move that the Senate proceed to the consideration of Senate bill 2904.

The motion was agreed to, and the Senate proceeded to consider the bill (S. 2904) to provide for the sale under certain conditions of agricultural commodities held by the Commodity Credit Corporation.

The bill is as follows:

Be it enacted, etc., That, notwithstanding any other provision of law, the Commodity Credit Corporation, upon terms, conditions, and in quantities prescribed by the Secretary of Agriculture and approved by the President, is authorized to sell surplus agricultural commodities, acquired by such corporation through its loan operations, to foreign governments on the condition that, except for rotation to prevent deterioration, such commodities shall be held in reserve by such governments for a period of not less than 5 years from the date of acquisition, and shall not be disposed of unless a war or war emergency results in a serious interruption of normal supplies of such commodities: *Provided,* That under this act no concession below the prevailing world market price for the unrestricted use of such commodities, as determined by the Secretary of Agriculture, shall be granted, in consideration of the obligation assumed by such governments to hold such commodities in reserve as required hereinbefore, in excess of a maximum amount equal to the carrying charges, as estimated by the Secretary of Agriculture, that would be incurred if such commodities should be held for an additional 18 months' period by the Commodity Credit Corporation.

PERNICIOUS POLITICAL ACTIVITIES (S. DOC. NO. 105)

The VICE PRESIDENT laid before the Senate the following message from the President of the United States, which was read, ordered to lie on the table, and to be printed:

To the Congress of the United States:

Because there have been so many misrepresentations, some unpremeditated, some deliberate, in regard to the attitude of

the executive branch of the Government in relation to Senate bill 1871, "An act to prevent pernicious political activities," and because a number of questions have been raised as to the meaning and application of some of its provisions, I deem it advisable at the time of Executive approval to make certain observations to the Congress of the United States.

The genesis of this legislation lies in the message of the President of January 5, 1939, respecting an additional appropriation for the Works Progress Administration. I said in that message:

> It is my belief that improper political practices can be eliminated only by the imposition of rigid statutory regulations and penalties by the Congress, and that this should be done. Such penalties should be imposed not only upon persons within the administrative organization of the Works Progress Administration but also upon outsiders who have in fact in many instances been the principal offenders in this regard. My only reservation in this matter is that no legislation should be enacted which will in any way deprive workers on the Works Progress Administration program of the civil rights to which they are entitled in common with other citizens.

Furthermore, in applying to all employees of the Federal Government (with a few exceptions) the rules to which the civil-service employees have been subject for many years, this measure is in harmony with the policy that I have consistently advocated during all my public life, namely, the wider extension of civil service as opposed to its curtailment.

It is worth noting that nearly all exemptions from the civil service which have been made during the past six years and a half have originated in the Congress itself and not in the Executive.

Furthermore, it is well known that I have consistently advocated the objectives of the present bill. It has been currently suggested that partisan political reasons have entered largely into the passage of the bill: but with this I am not concerned, because it is my hope that if properly administered the measure can be made an effective instrument of good government.

As is usual with all bills passed by the Congress, this bill has been examined, on its receipt at the Executive Offices, by the appropriate departments or agencies, in this case the Attorney General of the United States and the Civil Service Commission.

The Attorney General has advised me that it seems clear that the Federal Government has the power to prescribe as qualifications for its employees that they refrain from taking part in other endeavors which, in the light of common experience, may well consume time and attention required by their duties as public officials. He points out, however, that such qualifications cannot properly preclude Government employees from the exercise of the right of free speech or from their right to exercise the franchise.

The question of constitutionality being resolved in favor of the bill, our next inquiry relates to the exercise and preservation of these rights. It is obvious that the intent of the bill is to follow broadly the provisions of civil-service regulations that have existed for many years in regard to political activities of Federal employees.

It is because I have received and will continue to receive so many queries asking what a Government employee may or may not do that it seems appropriate at the outset to postulate the broad principle that if the bill is administered in accord with its spirit, and if it is in the future administered without abuse, oppression, or groundless fear, it will serve the purpose intended by the Congress.

For example, I have been asked by employees of the Government whether under this law they would lose their positions if they merely attend political meetings. The answer is, of course, "No."

I have been asked whether they would lose their positions if they contributed voluntarily to party or individual campaign funds without being solicited. The answer is, of course, "No."

I have been asked whether they would lose their positions if they should merely express their opinion or preference publicly—orally, by radio, or in writing—without doing so as part of an organized political campaign. The answer is "No."

I have been asked if citizens who have received loans from the Home Owners' Loan Corporation, from the Farm Credit Administration or its subsidiaries, from the Farm Security Administration, from the Reconstruction Finance Corporation, and other Government lending agencies, would be subject to the terms of this bill. The answer is "No."

I have been asked whether farmers receiving farm benefits would be bound by the terms of the bill. Again the answer is "No."

I have been asked if Government employees who belong to Young Republican Clubs, Young Democratic Clubs, Civil Service Reform Associations, the League of Women Voters, the American Federation of Labor, the Congress of Industrial Organizations, and similar bodies are subject to the penalties of the measure because of mere membership in these organizations. The answer is "No."

There will be hundreds of similar questions raised in the actual administration and enforcement of this bill. Such questions will be asked in most cases by individuals in good faith. And it is only fair that they should receive an answer. I am, therefore, asking the Attorney General to take the necessary steps through the new civil-liberties unit of the Department of Justice in order that the civil rights of every Government employee may be duly protected and that the element of fear may be removed.

I have been asked if the bill applies to veterans—Civil War, Indian wars, the War with Spain, the World War—retired officers and men of the Army, Navy, and Marine Corps who, though not Government employees, are receiving benefits or pensions of one kind or another. The answer is, of course, "No."

I have been asked if the act applies to those who get Government benefits under the Social Security Act in the form of old-age pensions or in the form of unemployment compensation. The answer is "No."

Finally, I have been asked various questions relating to the right of a Government employee publicly to answer unwarranted attacks made on him or on his work or on the work of his superiors or on the work of his subordinates, notwithstanding the fact that such attacks or misrepresentations were made for political purposes by newspapers or by individuals as a part of a political campaign.

This raises the interesting question as to whether all Government officials except the President and Vice President, persons in the office of the President, heads and assistant heads of executive departments and policy-determining officers appointed by and with the advice and consent of the Senate, must remain mute if and when they or the work with which they are concerned are attacked and misrepresented in a political campaign or preliminary thereto.

It will be noted that the language of the bill wholly excludes members or employees of the legislative branch of the Government from its operation.

It can hardly be maintained that it is an American way of doing things to allow newspapers, magazines, radio broadcasters, Members and employees of the Senate and House of Representatives, and all kinds of candidates for public office and their friends to make any form of charge, misrepresentation, falsification, or vituperation against the acts of any individual or group of individuals employed in the executive branch of the Federal Government with complete immunity against reply except by a handful of high executive officials. That, I repeat, would be un-American because it would be unfair, and the great mass of Americans like fair play and insist on it. They do not stand for any gag act.

It is, therefore, my considered opinion, in which the Attorney General of the United States joins me, that all Federal employees, from the highest to the lowest, have the right publicly to answer any attack or misrepresentation, provided, of course, they do not make such reply as part of active participation in political campaigns.

The same definition of fair and proper administration of the bill applies to the right of any Government employee, from the highest to the lowest, to give to the public factual information relating to the conduct of Government affairs.

To rule otherwise would make it impossible for the people of the United States to learn from those who serve the Government vital, necessary, and interesting facts relating to the manifold activities of the Federal Government. To rule otherwise would give a monopoly to originate and disseminate information to those who, primarily for political purposes, unfortunately have been given to the spreading of false information. That again is unfair and, therefore, un-American.

It is, I am confident, the purpose of the proponents of this legislation that the new law be thus administered so that the right of free speech will remain, even to those who serve their Government; and that the Government itself shall have full right to place all facts in its possession before the public. If some future administration should undertake to administer this legislation to the detriment of these rights, such action would be contrary to the purpose of the act itself and might well infringe the constitutional rights of citizens. I trust that public vigilance will for all time prevent this.

The Attorney General calls my attention to a practical difficulty which should be corrected by additional legislation as soon as possible. For many years there has been an exception to the civil-service regulations whereby employees permanently residing in the District of Columbia or in municipalities adjacent thereto may become candidates for or hold municipal office in their municipalities. This and a few similar exceptions should, I believe, be maintained.

The other question relates to the fact that the bill does not in any way cover the multitude of State and local employees who greatly outnumber Federal employees and who may continue to take part in elections in which there are candidates for Federal office on the same ballot with candidates for State and local office. It is held by many who have examined the constitutional question that because the Congress, under the Constitution, may maintain the integrity of Federal elections, it has the power to extend the objectives of this bill so as to cover State and local government employees who participate actively in Federal elections. This is at least worth the study of the Congress at its next session and therefore before the next Federal election.

It is because for so many years I have striven in public life and in private life for decency in political campaigns, both on the part of government servants, of candidates, of newspapers, of corporations, and of individuals that I regard this new legislation as at least a step in the right direction.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *August 2, 1939.*

Mr. AUSTIN. Mr. President——

The VICE PRESIDENT. The message from the President will lie on the table, unless the Senator from Vermont has some motion he wishes to make.

Mr. AUSTIN. Mr. President, I wish to comment on the message from the President.

Mr. President, it is a matter of gratification that the President has signed and signified his approval of the Hatch bill. I believe that among the great principles in which the people of the United States have been concerned, and about which they have been apprehensive, is the purity or the sanctity of their ballot, and the right to exercise it, free from coercion. I think it is notable that the President makes the claim, as follows:

The genesis of this legislation lies in the message of the President of January 5, 1939.

And so forth. Without derogating more than necessarily from the credit which obviously the President of the United States now attempts to gain by assenting to this act, I simply call the attention of the Senate to the RECORD of June 2, 1938, page 8000, where there is recorded an earlier indication of the theory which is carried into effect by agreement to this act of the Congress. There appears the record of the action taken by the Senate on Senator HATCH's amendment to House Joint Resolution 679, the Relief and Work Relief Appropriation Act of 1938.

Mr. President, I ask unanimous consent to have transcribed into the RECORD a true copy of the amendment then offered by the Senator from New Mexico [Mr. HATCH] on which the vote was—yeas 37, nays 40.

On the following day—that is, June 3, 1938—there occurred events, recorded at page 8140 of the RECORD, which show that the genesis of the act recently approved was a long time prior to January 5, 1939, and from an entirely different source, which I think does not deserve the charge or the reflection of being in any degree partisan, for the amendment which then was acted upon by the Senate came from this side of the aisle. The one to which I first alluded came from the Democratic side of the aisle. The other amendment came from the Republican side of the aisle. I ask unanimous consent to have inserted in the RECORD the amendment there recorded to House Joint Resolution 679, the Relief and Work Relief Appropriation Act of 1938.

I read only a part of it to show the striking similarity between the proposals then made and the measure which was assented to so recently by the President:

SEC. . (a) No part of any appropriation in this act shall be used for any political purpose, and no authority conferred by this act upon any person shall be exercised or administered for any such purpose.

(b) It shall be unlawful for any person whose compensation, or any part thereof, is paid from funds appropriated by this act to use or threaten to use his official authority or influence for any of the following purposes:

Then there are several purposes enumerated, beginning with—

(1) To interfere with, restrain, or coerce any individual in the exercise of his right to vote at any primary or other election.

And it concludes with a penalty:

(f) Any person who violates any provision of this section shall be punished, if such person is an individual, by a fine of not more than $5,000, or by imprisonment for not more than 3 years, or both, and in all other cases by a fine of not more than $25,000.

Mr. President, I leave it safely in the hands of the Senate to judge whether this act is a political or nonpolitical act in the sense of partisanship. The question of who should have the credit matters not at all. The important fact is that we have now in effect a law which denounces the misuse or abuse of charity or relief, and of the power that necessarily has to go with it. I believe that this act, if honestly carried into effect, will take relief out of politics and take politics out of relief.

The PRESIDING OFFICER (Mr. KING in the chair). Does the Senator from Vermont desire the matter to which he referred inserted in the RECORD?

Mr. AUSTIN. Yes. I ask unanimous consent to have inserted in the RECORD the entire text of the amendment which was offered on June 3, 1938, shown at pages 8139 and 8140 of the RECORD, and the vote thereon, the vote standing—yeas 33, nays 35—as well as the other matters to which I referred. Mr. President, I want it clear that my request covers the roll-call vote on those two amendments.

The PRESIDING OFFICER. The Chair so understood. Without objection, the request is granted.

The matters referred to are as follows:

[From p. 8000, vol. 83, pt. 7, 75th Cong., 3d sess.]

The PRESIDENT pro tempore. The question is on agreeing to the modified amendment offered by the Senator from New Mexico [Mr. HATCH].

Mr. HATCH. Mr. President, I desire further to modify the amendment, so as to make it apply to title I.

Mr. MCNARY. Mr. President, may the amendment, as now modified, be stated?

The PRESIDENT pro tempore. The clerk will state the amendment in its latest modified form.

The CHIEF CLERK. It is proposed to insert, at the proper place, the following:

"No person employed in any administrative capacity by any agency of the Federal Government, whose compensation, or any part thereof, is paid from funds appropriated by title I of this act, shall use his official authority or influence for the purpose of interfering with or influencing a convention, a primary, or other election, or affecting the results thereof. Any such person shall retain the right to vote as he pleases and to express his opinions on all political subjects, but shall take no active part in political management or in political campaigns. Any person violating the provisions of this section shall be immediately removed from the position or office held by him, and thereafter no part of the funds appropriated by this act shall be used to pay the compensation of such person."

SEVERAL SENATORS. Vote!

Mr. LA FOLLETTE. I ask for the yeas and nays on the amendment.

The yeas and nays were ordered, and the legislative clerk proceeded to call the roll.

Mr. SHIPSTEAD (when his name was called). I have a pair with the senior Senator from Virginia [Mr. GLASS]. I am informed that if present he would vote as I shall vote. I therefore vote "yea."

The roll call was concluded.

Mr. GERRY. I announce that the Senator from Nebraska [Mr. BURKE] is paired with the Senator from Oklahoma [Mr. THOMAS]. If the Senator from Nebraska were present, I am informed that he would vote "yea"; and if the Senator from Oklahoma were present, I am informed that he would vote "nay."

Mr. AUSTIN. I have been requested to announce the following general pairs:

The Senator from New Hampshire [Mr. BRIDGES] with the Senator from North Carolina [Mr. REYNOLDS].

The Senator from Pennsylvania [Mr. DAVIS] with the Senator from Kentucky [Mr. LOGAN].

The Senator from North Dakota [Mr. NYE] with the Senator from South Carolina [Mr. SMITH].

Mr. LEWIS. I announce that the Senator from Arizona [Mr. ASHURST] and the Senator from Oregon [Mr. REAMES] are detained from the Senate because of illness.

The Senator from Massachusetts [Mr. WALSH] is delivering a commencement address at the Coast Guard Academy in New London, Conn.

The Senator from Nebraska [Mr. BURKE], the Senator from Missouri [Mr. CLARK], the Senator from Ohio [Mr. DONAHEY], the Senator from Wisconsin [Mr. DUFFY], the Senator from Iowa [Mr. GILLETTE], the Senator from Virginia [Mr. GLASS], the Senator from Arizona [Mr. HAYDEN], the Senator from Kentucky [Mr. LOGAN], the Senator from New Jersey [Mr. MILTON], the Senator from North Carolina [Mr. REYNOLDS], the Senator from South Carolina [Mr. SMITH], and the Senator from Oklahoma [Mr. THOMAS] are detained on important public business.

The result was announced—yeas 37, nays, 40, as follows:

YEAS—37

Austin, Bailey, Berry, Borah, Bulkley, Byrd, Capper, Connally, Copeland, Frazier, George, Gerry, Gibson, Hale, Hatch, Holt, Johnson of California, King, La Follette, Lodge, Lonergan, McCarran, McNary, Maloney, Miller, Norris, O'Mahoney, Pope, Russell, Shipstead, Thomas of Utah, Townsend, Vandenberg, Van Nuys, Wagner, Wheeler, and White.

NAYS—40

Adams, Andrews, Bankhead, Barkley, Bilbo, Bone, Brown of Michigan, Brown of New Hampshire, Bulow, Byrnes, Caraway, Chavez, Dieterich, Ellender, Green, Guffey, Harrison, Herring, Hill, Hitchcock, Hughes, Johnson of Colorado, Lee, Lewis, McAdoo, McGill, McKellar, Minton, Murray, Neely, Overton, Pepper, Pittman, Radcliffe, Schwartz, Schwellenbach, Sheppard, Smathers, Truman, and Tydings.

NOT VOTING—19

Ashurst, Bridges, Burke, Clark, Davis, Donahey, Duffy, Gillette, Glass, Hayden, Logan, Lundeen, Milton, Nye, Reames, Reynolds, Smith, Thomas of Oklahoma, and Walsh.

So Mr. HATCH's amendment, as modified, was rejected.

[From p. 8089, vol. 83, pt. 7, 75th Cong., 3d sess.]

Mr. DAVIS. * * * I regret that I was not present in the Senate last evening, although I was paired. If I had been here I should have voted in favor of the so-called Hatch amendment.

[From p. 8135, vol. 83, pt. 7, 75th Cong., 3d sess.]

Mr. AUSTIN. Mr. President, I offer an amendment, which I ask to have stated.

The PRESIDING OFFICER. The clerk will state the amendment.

The LEGISLATIVE CLERK. On page 29, after line 24, it is proposed to insert the following:

"SEC. —. (a) No part of any appropriation in this act shall be used for any political purpose, and no authority conferred by this act upon any person shall be exercised or administered for any such purpose.

"(b) It shall be unlawful for any person whose compensation, or any part thereof, is paid from funds appropriated by this act to use or threaten to use his official authority or influence for any of the following purposes:

"(1) To interfere with, restrain, or coerce any individual in the exercise of his right to vote at any primary or other election;

"(2) To encourage or discourage membership in, or contribution to, any political party by discrimination, threatened or executed, in regard to the granting or withholding of benefits, or the execution of any of the powers, functions, or purposes included in this act;

"(3) To discriminate against any person in regard to benefits from the United States because such person has filed charges or given testimony with respect to any matter arising under this act;

"(4) To discriminate against any individual in regard to benefits from the United States because such individual has voted at any election according to his free choice, or because such person is a member of, or has made contributions to, the political party of his own choosing; or

"(5) To discriminate against any corporation in regard to benefits from the United States because any officer or director thereof is a member of, or has made contributions to, the political party of his own choosing.

"(c) It shall be unlawful for any person whose compensation, or any part thereof, is paid from funds appropriated by this act to act as election official, ballot clerk, or watcher, or in any other similar capacity, at any polling place in any primary or other election.

"(d) It shall be unlawful for any person whose compensation, or any part thereof, is paid from funds appropriated by this act, to solicit, persuade, or induce, by the exercise of his power to administer, supervise, regulate, or otherwise put into effect this act or any part thereof, contributions to a political party, or any agency thereof, for any purpose whatsoever.

"(e) It shall be unlawful for any person whose compensation, or any part thereof, is paid from funds appropriated by this act, to be detailed to service, or to serve as a political campaign worker for any political party.

"(f) Any person who violates any provision of this section shall be punished, if such person is an individual, by a fine of not more than $5,000, or by imprisonment for not more than 3 years, or both, and in all other cases by a fine of not more than $25,000."

[From pp. 8139 and 8140, vol. 83, pt. 7, 75th Cong., 3d sess.]

The PRESIDENT pro tempore. The question is on agreeing to the amendment offered by the Senator from Vermont [Mr. AUSTIN].

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

The yeas and nays were ordered, and the legislative clerk proceeded to call the roll.

Mr. SHIPSTEAD (when his name was called). I have a general pair with the Senator from Virginia [Mr. GLASS], but I am informed that I am free to vote. I vote "yea."

The roll call was concluded.

Mr. LEWIS. I announce that the Senator from Arizona [Mr. ASHURST] and the Senator from Oregon [Mr. REAMES] are absent because of illness.

The Senator from Tennessee [Mr. BERRY], the Senator from New Mexico [Mr. CHAVEZ], the Senator from Missouri [Mr. CLARK], the Senator from Illinois [Mr. DIETERICH], the Senator from Ohio [Mr. DONAHEY], the Senator from Wisconsin [Mr. DUFFY], the Senators from Iowa [Mr. GILLETTE and Mr. HERRING], the Senator from Virginia [Mr. GLASS], the Senators from Oklahoma [Mr. LEE and Mr. THOMAS], the Senator from Minnesota [Mr. LUNDEEN], the Senator from Kentucky [Mr. LOGAN], the Senator from California [Mr. MCADOO], the Senator from Arkansas [Mr. MILLER], the Senators from New Jersey [Mr. MILTON and Mr. SMATHERS], the Senator from North Carolina [Mr. REYNOLDS], the Senator from South Carolina [Mr. SMITH], the Senator from Maryland [Mr. TYDINGS], and the Senator from New York [Mr. WAGNER] are detained on important public business.

Mr. DAVIS (after having voted in the affirmative). I have a general pair with the junior Senator from Kentucky [Mr. LOGAN]. Not knowing how he would vote, I transfer my pair to the junior Senator from North Dakota [Mr. NYE] and allow my vote to stand. I understand that if present the Senator from North Dakota [Mr. NYE] would vote "yea."

Mr. FRAZIER (after having voted in the affirmative). On this question I have a pair with the junior Senator from California [Mr. MCADOO], who is absent. I therefore withdraw my vote. I understand that if the Senator from California were present he would vote "nay."

Mr. LEWIS. The Senator from Maryland [Mr. TYDINGS] has a pair with the Senator from Wisconsin [Mr. DUFFY]. If present and voting, the Senator from Maryland would vote "yea," and the Senator from Wisconsin would vote "nay."

Mr. AUSTIN. The Senator from New Hampshire [Mr. BRIDGES] has a general pair with the Senator from North Carolina [Mr. REYNOLDS]. If these Senators were present and voting the Senator from New Hampshire would vote "yea" and the Senator from North Carolina would vote "nay."

The result was announced—yeas 33, nays 35, as follows:

YEAS—33

Austin, Bailey, Bulkley, Burke, Byrd, Capper, Copeland, Davis, George, Gerry, Gibson, Hale, Hatch, Holt, Johnson of California, King, La Follette, Lodge, Lonergan, McCarran, McNary, Maloney, Norris, O'Mahoney, Pittman, Pope, Shipstead, Townsend, Vandenberg, Van Nuys, Walsh, Wheeler, White.

NAYS—35

Adams, Bankhead, Barkley, Bilbo, Bone, Brown of Michigan, Brown of New Hampshire, Bulow, Byrnes, Caraway, Connally, Ellender, Green, Guffey, Harrison, Hayden, Hill, Hitchcock, Hughes, Johnson of Colorado, Lewis, McGill, McKellar, Minton, Murray, Neely, Overton, Pepper, Radcliffe, Russell, Schwartz, Schwellenbach, Sheppard, Thomas of Utah, Truman.

NOT VOTING—28

Andrews, Ashurst, Berry, Borah, Bridges, Chavez, Clark, Dieterich, Donahey, Duffy, Frazier, Gillette, Glass, Herring, Lee, Logan, Lundeen, McAdoo, Miller, Milton, Nye, Reames, Reynolds, Smathers, Smith, Thomas of Oklahoma, Tydings, Wagner.

So Mr. AUSTIN's amendment was rejected.

Mr. BARKLEY. I wish simply to say a word concerning the comment and observations of the Senator from Vermont. I am sure that the President of the United States, in making reference to his message of January 5, 1939, had no intention of seeking to deprive the Senator from New Mexico [Mr.

HATCH] of any credit for his long and persistent advocacy of legislation of this sort. The President's message on the 5th of January was, as I recall, the first official recommendation of any President in behalf of legislation of this nature. We are all familiar with the fact that prior to January 5 the Senator from New Mexico had offered the amendment to which reference has been made, and that during most of the last session of Congress the Senator from New Mexico urged legislation of this nature. If this be wise legislation, as I hope experience will prove, there will be sufficient credit for everyone who had anything to do with it, and I think it unnecessary to draw distinctions regarding who first suggested this legislation or under whose influence it may have been enacted.

ORDER OF BUSINESS

Mr. SCHWELLENBACH. Mr. President——

Mr. BARKLEY. Mr. President, if the Senator will permit me, I should like to say that yesterday, while the calendar was being called, a number of bills were passed over under objection. Among the bills thus passed over was one in which the Senator from Oklahoma [Mr. THOMAS] is interested, and he gave notice that at the first opportunity he would seek to have that bill considered. The Senator from South Carolina [Mr. BYRNES] likewise indicated his desire to have considered the bill which he has now brought forward. The Senator from Florida [Mr. PEPPER] had indicated the same desire with reference to several bills in which he was interested. I assured all of them, during the call and following the call of the calendar, that they would be given opportunity today to move to take up those bills, respectively.

The Vice President asked me in what order the bills should be brought up and, of course, I had to take the responsibility of designating the order. As I indicated to the Vice President, it seemed to me that the Senator from Oklahoma had the first call because of what had transpired yesterday; likewise I thought that it would not take long to consider the bill on which the Senator from South Carolina [Mr. BYRNES] desired to have action, and, following that, the Senator from Florida [Mr. PEPPER] would be recognized for the purpose of taking up the bill in which he is interested.

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

Mr. BARKLEY. In a moment, Mr. President.

It seems that in making that arrangement regarding those bills, I overlooked the fact that just a few days ago the Senator from Washington [Mr. SCHWELLENBACH] had given notice that he would seek permission today to address the Senate.

Mr. President, in making the arrangement regarding the presentation of the bills, I had no intention to deprive the Senator from Washington of his rights. I did not know from what was stated in the RECORD on that day, that he would seek recognition immediately upon the convening of the Senate today; because, as we all know, a Senator may speak on any subject during the consideration of any bill.

Let me say, Mr. President, that in trying to make arrangements for orderly procedure in connection with consideration of bills, I had no intention of depriving the Senator from Washington of the opportunity to proceed according to the arrangement which he had asked be made for today.

SALE OF SURPLUS AGRICULTURAL COMMODITIES

The Senate resumed consideration of the bill (S. 2904) to provide for the sale under certain conditions of agricultural commodities held by the Commodity Credit Corporation.

Mr. TYDINGS. Mr. President——

Mr. BYRNES. I yield to the Senator from Maryland.

Mr. TYDINGS. Mr. President, I have a matter which I feel sure would not take more than a minute.

Mr. BYRNES. Mr. President, I do not think the bill I have will take more than a minute. Since 12 o'clock I have been trying to obtain consideration of it. Will the Senator permit me to proceed?

Mr. President, I do not believe there will be any objection to the bill which is before the Senate, and which I believe can be disposed of in a very few minutes.

The bill proposes to authorize the Commodity Credit Corporation to sell for cash to foreign governments commodities to which the Corporation has acquired title. The bill is inspired by the fact that the Commodity Credit Corporation has proposals which would make it possible to sell approximately 175,000 bales of cotton stored in the United States, to which the Corporation has title.

We have been storing and holding the cotton, as Members of the Senate know, some of it since 1934. The carrying charges amount to $4 per year per bale. That means that each year, on more than 11,000,000 bales, we are spending $45,000,000 for warehouse and insurance charges, comprising the carrying charges.

This proposal would mean that we would sell to two governments—the Governments of France and Switzerland—approximately 175,000 bales of cotton. According to the proposal, it would be sold for cash, and there would be an agreement on the part of France and Switzerland that they would hold the cotton for 5 years. Because of the agreement to hold the cotton for 5 years, which would cause them to make a purchase with a restricted use, the Governments involved believe that they should be entitled to some concessions, because they could buy at the world price and sell when they pleased if there were no restriction. They believe there should be an incentive to them to make the purchase. They discussed the proposal of dividing the carrying charge which would be incurred by the United States Government for a period of 5 years if we continued to hold the cotton. However, there was an agreement in the tentative conversations that in no case would we give to them a concession of carrying charges in excess of the amount we would pay during 18 months.

If the cotton was sold, it would be sold for cash. The Governments concerned would hold it for 5 years. The amount paid would be the world price less the carrying charges for 18 months.

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

Mr. BYRNES. I yield.

Mr. DANAHER. Will the Senator please explain how the Commodity Credit Corporation acquires title to the cotton?

Mr. BYRNES. It acquires title because the cotton has been stored in warehouses upon notes from the farmers, some of them in 1934, some in 1937, and some in 1938. The notes provide that if they are not paid at maturity the Commodity Credit Corporation has the power to acquire title. Each year the notes have been extended. The Senator is familiar with the provisions of the law with reference to barter; but even without those provisions, the Commodity Credit Corporation has the right to acquire title. Under the terms of the notes, if the note is not paid at maturity, the Commodity Credit Corporation has the right to acquire title. It has acquired title to the 1934, 1937, and 1938 cotton.

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

Mr. BYRNES. I yield.

Mr. DANAHER. Is there not a limitation in the act on the right to sell?

Mr. BYRNES. The act is an entirely different thing; and while the conditions set forth in the act apply only to the cotton involved, the notes provide that at maturity the Commodity Credit Corporation may acquire title. However, there is an act which provides that the cotton may not be sold for less than the loan value plus all the carrying charges, which makes it impossible to sell it.

Mr. DANAHER. The fact of the matter is that the Commodity Credit Corporation cannot sell any of the cotton, even though the notes are matured. Is that correct?

Mr. BYRNES. It cannot sell it because of the price.

Mr. DANAHER. In other words, we would suspend the operation of the act by such a bill as is now under consideration.

Mr. BYRNES. Yes.

Mr. DANAHER. One other question: Is it not obvious that if the governments referred should take the cotton referred to they would then not be going into the world market and buying our free cotton?

Mr. BYRNES. They would not be buying our free cotton. They would be buying the cotton which we have, and on

which we are paying storage and carrying charges, which are costing us $45,000,000 a year.

Mr. DANAHER. Is there not a supply of 6,000,000 or 7,000,000 bales of free cotton each year which these countries normally would buy if we should not pass the bill?

Mr. BYRNES. The governments could buy in the market if they wished to; and, of course, they would then have the right to use the cotton as they pleased.

Mr. DANAHER. Yes.

Mr. BYRNES. So far as the producer is concerned, any legislation which has been enacted has had in view the purpose of protecting the producer against the dumping of cotton on the market so long as he participated in the program of curtailment. That is why, unfortunately, we cannot sell what we have.

Mr. DANAHER. Mr. President, will the Senator yield for one further question?

Mr. BYRNES. I yield.

Mr. DANAHER. Does the Senator advocate that the Government adopt the policy now represented by the bill?

Mr. BYRNES. Absolutely, Mr. President. I think so long as we have 11,000,000 bales of cotton and it is costing the taxpayers $45,000,000 a year to carry it, whenever it is possible for us to sell and obtain hard cash it is to our best interest to dispose of it. We cannot keep it forever. We have had some of it for 5 years, from 1934 to 1939. If we continue to carry it, the carrying charges will soon amount to as much as the value of the cotton.

Mr. DANAHER. I thank the Senator for his courtesy.

Mr. BYRNES subsequently said: Mr. President, I ask unanimous consent that the question be put upon the bill which I have presented to the Senate.

Mr. KING. Is the Senator now asking that the bill be passed?

Mr. BYRNES. Yes.

Mr. KING. I object.

The PRESIDING OFFICER. Objection is heard.

AMENDMENT OF PHILIPPINE INDEPENDENCE ACT

Mr. SCHWELLENBACH obtained the floor.

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

The PRESIDING OFFICER (Mr. O'MAHONEY in the chair). Does the Senator from Washington yield to the Senator from Maryland?

Mr. SCHWELLENBACH. I yield to the Senator.

Mr. TYDINGS. Mr. President, I have no desire to take the time of the Senator from Washington. House bill 7096 to amend the Philippine Independence Act has passed the House, and it came over to the Senate yesterday. Will the Senator from Washington give me his attention?

Mr. SCHWELLENBACH. I yield if I may do so without losing the floor, Mr. President. However, I do not wish to lose the floor by the transaction of any business.

Mr. BYRNES. Mr. President, may I ask a question, with the understanding that the Senator will not lose the floor?

The PRESIDING OFFICER. The Senator from Washington has the floor, and he has yielded to the Senator from Maryland, apparently for a question.

Mr. TYDINGS. Mr. President, if the Senator will permit me, I ask unanimous consent, provided the matter I shall suggest does not consume more than a minute, that the Senate proceed to consider House bill 7096, an amendment to the Philippine Independence Act, which has passed the House, and which the administration is asking me to rush through because certain provisions of the existing law will soon expire. Mr. Sayre has been in my office all morning. I have no interest in the matter, except that I am trying to accommodate him. The consideration of the bill would not require more than a minute.

Mr. ADAMS. Mr. President, I should like to have an opportunity to look at the bill. I will have to refuse unanimous consent at this time until I have examined the bill.

The PRESIDING OFFICER. Objection is heard.

Mr. TYDINGS. Mr. President, I will say to the Senator from Colorado that it is an amendment to the act passed not long ago. We have worked out everything so that the Senate's position prevails.

Mr. ADAMS. Mr. President, I am asking only an opportunity to read the bill.

Mr. TYDINGS. I can explain it in a minute.

THE FAR EASTERN SITUATION

Mr. SCHWELLENBACH. Mr. President, last week the Secretary of State served notice on the Japanese Government that the treaty which was signed between our Government and the Japanese Government in 1911, commonly known as the treaty of amity and commerce, would under its terms be abrogated at the conclusion of a period of 6 months from the date of the notice. That position was taken by the Secretary of State, in my opinion, as an independent act on the part of our Government, without consultation with and without any attention to the relationship of any other government in the world with the Government of Japan. I think it is interesting to read a statement by Mr. David Lawrence in the United States News of this week, in which he said:

> Parallelism, the policy of acting jointly and in consultation with Great Britain, has apparently been dropped. For the first time since the current China incident began, July 7, 1937, the United States has taken a decisive step toward Japan, evidently without consulting Britain.

Mr. President, I wish to say that so far as my personal attitude is concerned, it is based entirely upon the terms of a resolution which I introduced a few weeks ago asking for an embargo on certain goods which are being shipped at the present time from the United States to Japan and used by Japan in the prosecution of her war. I contend that the goods are being shipped from this country in violation of our obligations under the Nine Power Pact.

Mr. President, I am not speaking concerning any interest we may have in China. I presented the resolution simply as a recognition of our responsibility and the responsibility of our own citizens under the terms and provisions of a treaty into which we solemnly entered. I do not want any one to say that in presenting the resolution or discussing it I am concerned in any of the interests which may be engaged in business in China itself.

OUR ATTITUDE TODAY

I think that in view of the importance of this subject during the next 6 months, prior to the expiration of the 6 months' notice, there will be very great discussion among the people of the country and among Members of the Congress as to what should be our attitude in the far eastern situation. I think it is worth while, even at this late date in the session, to have a rather comprehensive consideration of the situation in the Far East and of our attitude today and our attitude in the past toward far eastern problems.

I first want to call the attention of the Senate to the attitude expressed by the then Secretary of State, Mr. Stimson, on February 23, 1932, in a letter addressed to the senior Senator from Idaho [Mr. BORAH]. I desire to read briefly from the letter of that date. The letter is addressed:

> MY DEAR SENATOR BORAH: You have asked my opinion whether, as has sometimes been recently suggested, present conditions in China have in any way indicated that the so-called Nine Power Treaty has become inapplicable or ineffective or rightly in need of modification, and if so, what I considered should be the policy of this Government.
>
> This treaty, as you of course know, forms the legal basis upon which now rests the "open door" policy toward China. That policy, enunciated by John Hay in 1899, brought to an end the struggle among various powers for so-called spheres of interest in China which was threatening the dismemberment of that Empire. To accomplish this Mr. Hay invoked two principles: (1) Equality of commercial opportunity among all nations in dealing with China; and (2) as necessary to that equality the preservation of China's territorial and administrative integrity.

He then goes on to say:

> The policy of the Government of the United States is to seek a solution which may bring about permanent safety and peace to China, preserve China's territorial and administrative entity, protect all rights guaranteed to friendly powers by treaty and international law, and safeguard for the world the principle of equal and impartial trade with all parts of the Chinese Empire.

Quoting further from Mr. Stimson's letter:

> For 20 years thereafter, the "open-door" policy rested upon the informal commitments made by the various powers, but in the

winter of 1921 to 1922, at a conference participated in by all of the principal powers which had interests in the Pacific, the policy was crystallized into the so-called Nine Power Treaty, which gave definition and precision to the principles upon which the policy rested. In the first article of that treaty, the contracting powers, other than China agreed, (1), to respect the sovereignty, the independence, and the territorial and administrative integrity of China; (2) to provide the fullest and most unembarrassed opportunity to China to develop and maintain for herself an effective and stable government; (3) to use their influence for the purpose of effectually establishing and maintaining the principle of equal opportunity for the commerce and industry of all nations throughout the territory of China; (4) to refrain from taking advantage of conditions in China in order to seek special rights or privileges which would abridge the rights of subjects or citizens of friendly states and from countenancing action inimical to the security of such states.

Mr. Stimson says in reference to that treaty:

This treaty thus represents a carefully developed and matured international policy intended, on the one hand, to assure to all of the contracting parties their rights and interests in and with regard to China, and on the other hand, to assure to the people of China the fullest opportunity to develop without molestation their sovereignty and independence according to the modern and enlightened standards believed to maintain among the peoples of this earth.

Mr. LUNDEEN. Mr. President, will the Senator yield there?

Mr. SCHWELLENBACH. I yield.

Mr. LUNDEEN. I presume it is the purpose of the Senator to place in the RECORD the statement of the Secretary of State leading up to this policy?

Mr. SCHWELLENBACH. I will read it into the RECORD. Does the Senator mean the statement of Secretary of State Hughes at the time?

Mr. LUNDEEN. Yes; and also the recent statement in relation to the abrogation of the treaty with Japan.

Mr. SCHWELLENBACH. Yes; I have a rather complete statement.

Mr. LUNDEEN. I hope the Senator will give us, so far as the documents are concerned, a complete picture, if they are not too lengthy. They are of great importance, and it would be well for those of us who may not be so expert as is the Senator from Washington to have the documents printed in his speech where we could obtain and study them.

TO GIVE ENTIRE PICTURE

Mr. SCHWELLENBACH. I appreciate what the Senator says about expertness on my part; but it is not correct. I have, however, made rather a careful research into this subject, and I intend, before I conclude, to put in all the documents I have which are pertinent. I hope to give the whole picture; but, as the Senator can see, I desire to do it in a logical order, considering the various points as they come up. Therefore, I am not going to do what is suggested at the present time, but I will, before I conclude, go through all the documents.

Mr. LUNDEEN. I meant the statement in all sincerity, because I know the Senator has examined the subject with great care, and I am glad that he has brought it up at this time, because it should be before the Members of the Senate during the vacation, and we should, during the days and hours that we are not here, give it some thought before we return in January.

Mr. SCHWELLENBACH. I thank the Senator from Minnesota and assure him that I am going to try to put in the RECORD everything of importance upon this subject.

Proceeding further with the letter from the Secretary of State, Mr. Stimson, to Senator BORAH, I quote, as follows:

In its report to the President—

He is referring to the Nine Power Treaty—

announcing this treaty, the American delegation, headed by the then Secretary of State, Mr. Charles E. Hughes, said: "It is believed that through this treaty the 'open door' in China has at least been made a fact."

Then he quoted from a statement made by Baron Shidehara, the representative of Japan at the nine-power conference, as follows:

At the same time the representative of Japan, Baron Shidehara, announced the position of his government as follows:

"No one denies to China her sacred right to govern herself. No one stands in the way of China to work out her own great national destiny."

Secretary Stimson further stated to Senator BORAH:

The signatories and adherents of the Nine Power Treaty rightfully felt that the orderly and peaceful development of the 400,000,000 of people inhabiting China was necessary to the peaceful welfare of the entire world and that no program for the welfare of the world as a whole could afford to neglect the welfare and protection of China.

Having read these excerpts, I ask unanimous consent to have printed at this point in the RECORD the letter from Secretary Stimson to Senator BORAH, dated February 23, 1932, which is contained on page 293 of the book called The Far East, by Quigley and Blakeslee.

Mr. LUNDEEN. Mr. President, will the Nine Power Pact be included?

Mr. SCHWELLENBACH. I have that separately and I will put that in later.

The PRESIDING OFFICER (Mr. THOMAS of Oklahoma in the chair). Without objection, the letter will be printed in the RECORD.

The letter referred to is as follows:

FEBRUARY 23, 1932.

MY DEAR SENATOR BORAH: You have asked my opinion whether, as has been sometimes recently suggested, present conditions in China have in any way indicated that the so-called Nine Power Treaty has become inapplicable or ineffective or rightly in need of modification, and if so, what I considered should be the policy of this Government.

This treaty, as you of course know, forms the legal basis upon which now rests the "open door" policy toward China. That policy, enunciated by John Hay in 1899, brought to an end the struggle among various powers for so-called spheres of interest in China which was threatening the dismemberment of that empire. To accomplish this Mr. Hay invoked two principles, (1) equality of commercial opportunity among all nations in dealing with China, and (2) as necessary to that equality the preservation of China's territorial and administrative integrity. These principles were not new in the foreign policy of America. They had been the principles upon which it rested in its dealings with other nations for many years. In the case of China they were invoked to save a situation which not only threatened the future development and sovereignty of that great Asiatic people, but also threatened to create dangerous and constantly increasing rivalries between the other nations of the world. War had already taken place between Japan and China. At the close of that war three other nations intervened to prevent Japan from obtaining some of the results of that war claimed by her. Other nations sought and had obtained spheres of interest. Partly as a result of these actions a serious uprising had broken out in China which endangered the legations of all of the powers at Peking. While the attack on those legations was in progress, Mr. Hay made an announcement in respect to this policy as the principle upon which the powers should act in the settlement of the rebellion. He said:

"The policy of the Government of the United States is to seek a solution which may bring about permanent safety and peace to China, preserve Chinese territorial and administrative entity, protect all rights guaranteed to friendly powers by treaty and international law, and safeguard for the world the principle of equal and impartial trade with all parts of the Chinese Empire."

He was successful in obtaining the assent of the other powers to the policy thus announced.

In taking these steps, Mr. Hay acted with the cordial support of the British Government. In responding to Mr. Hay's announcement, above set forth, Lord Salisbury, the British Prime Minister, expressed himself "most emphatically as concurring in the policy of the United States."

For 20 years thereafter the "open door" policy rested upon the informal commitments thus made by the various powers. But in the winter of 1921–22, at a conference participated in by all of the principal powers which had interests in the Pacific, the policy was crystallized into the so-called Nine Power Treaty, which gave definition and precision to the principles upon which the policy rested. In the first article of that treaty, the contracting powers, other than China, agreed:

"1. To respect the sovereignty, the independence, and the territorial and administrative integrity of China.

"2. To provide the fullest and most unembarrassed opportunity to China to develop and maintain for herself an effective and stable government.

"3. To use their influence for the purpose of effectually establishing and maintaining the principle of equal opportunity for the commerce and industry of all nations throughout the territory of China.

"4. To refrain from taking advantage of conditions in China in order to seek special rights or privileges which would abridge the rights of subjects or citizens of friendly states, and from countenancing action inimical to the security of such states."

This treaty thus represents a carefully developed and matured international policy intended, on the one hand, to assure to all of the contracting parties their rights and interests in and with regard to China, and on the other hand, to assure to the people of China the fullest opportunity to develop without molestation their

sovereignty and independence according to the modern and enlightened standards believed to maintain among the peoples of this earth. At the time this treaty was signed, it was known that China was engaged in an attempt to develop the free institutions of a self-governing republic after her recent revolution from an autocratic form of government; that she would require many years of both economic and political effort to that end; and that her progress would necessarily be slow. The treaty was thus a covenant of self-denial among the signatory powers in deliberate renunciation of any policy of aggression which might tend to interfere with that development. It was believed—and the whole history of the development of the "open door" policy reveals that faith—that only by such a process, under the protection of such an agreement, could the fullest interests not only of China but of all nations which have intercourse with her best be served.

In its report to the President announcing this treaty, the American delegation, headed by the then Secretary of State, Mr. Charles E. Hughes, said:

"It is believed that through this treaty the 'open door' in China has at least been made a fact."

During the course of the discussions which resulted in the treaty, the chairman of the British delegation, Lord Balfour, had stated that—

"The British Empire delegation understood that there was no representative of any power around the table who thought that the old practice of 'spheres of interest' was either advocated by any government or would be tolerable to this conference. So far as the British Government were concerned, they had, in the most formal manner, publicly announced that they regarded this practice as utterly inappropriate to the existing situation."

At the same time the representative of Japan, Baron Shidehara, announced the position of his Government as follows:

"No one denies to China her sacred right to govern herself. No one stands in the way of China to work out her own great national destiny."

The treaty was originally executed by the United States, Belgium, the British Empire, China, France, Italy, Japan, the Netherlands, and Portugal. Subsequently it was also executed by Norway, Bolivia, Sweden, Denmark, and Mexico. Germany has signed it, but her parliament has not yet ratified it.

It must be remembered also that this treaty was one of several treaties and agreements entered into at the Washington Conference by the various powers concerned, all of which were interrelated and interdependent. No one of these treaties can be disregarded without disturbing the general understanding and equilibrium which were intended to be accomplished and effected by the group of agreements arrived at in their entirety. The Washington Conference was essentially a disarmament conference, aimed to promote the possibility of peace in the world not only through the cessation of competition in naval armament but also by the solution of various other disturbing problems which threatened the peace of the world, particularly in the Far East. These problems were all interrelated. The willingness of the American Government to surrender its then commanding lead in battleship construction and to leave its positions at Guam and in the Philippines without further fortification, was predicated upon, among other things, the self-denying covenants contained in the Nine Power Treaty, which assured the nations of the world not only of equal opportunity for their eastern trade but also against the military aggrandizement of any other power at the expense of China. One cannot discuss the possibility of modifying or abrogating those provisions of the Nine Power Treaty without considering at the same time the other promises upon which they were really dependent.

Six years later the policy of self-denial against aggression by a stronger against a weaker power, upon which the Nine Power Treaty had been based, received a powerful reinforcement by the execution by substantially all the nations of the world of the Pact of Paris, the so-called Kellogg-Briand Pact. These two treaties represent independent but harmonious steps taken for the purpose of alining the conscious and public opinion of the world in favor of a system of orderly development by the law of nations including the settlement of all controversies by methods of justice and peace instead of by arbitrary force. The program for the protection of China from outside aggression is an essential part of any such development. The signatories and adherents of the Nine Power Treaty rightly felt that the orderly and peaceful development of the 400,000,000 of people inhabiting China was necessary to the peaceful welfare of the entire world and that no program for the welfare of the world as a whole could afford to neglect the welfare and protection of China.

The recent events which have taken place in China, especially the hostilities which having been begun in Manchuria have latterly been extended to Shanghai, far from indicating the advisability of any modification of the treaties we have been discussing, have tended to bring home the vital importance of the faithful observance of the covenants therein to all of the nations interested in the Far East. It is not necessary in that connection to inquire into the causes of the controversy or attempt to apportion the blame between the two nations which are unhappily involved; for, regardless of cause or responsibility, it is clear beyond peradventure that a situation has developed which cannot, under any circumstances, be reconciled with the obligations of the covenants of these two treaties, and that if the treaties had been faithfully observed such a situation could not have arisen. The signatories of the Nine Power Treaty and of the Kellogg-Briand Pact, who are not parties to that conflict, are not likely to see any reason for modifying the terms of those treaties. To them the real value of the faithful performance of the treaties has been brought sharply home by the perils and losses to which their nationals have been subjected in Shanghai.

That is the view of this Government. We see no reason for abandoning the enlightened principles which are embodied in these treaties. We believe that this situation would have been avoided had these covenants been faithfully observed, and no evidence has come to us to indicate that a due compliance with them would have interfered with the adequate protection of the legitimate rights in China of the signatories of those treaties and their nationals.

On January 7 last, upon the instruction of the President, this Government formally notified Japan and China that it would not recognize any situation, treaty, or agreement entered into by those Governments in violation of the covenants of these treaties, which affected the rights of our Government or its citizens in China. If a similar decision should be reached and a similar position taken by the other Governments of the world, a caveat will be placed upon such action which, we believe, will effectively bar the legality hereafter of any title or right sought to be obtained by pressure or treaty violation, and which, as has been shown by history in the past, will eventually lead to the restoration to China of rights and titles of which she may have been deprived.

In the past our Government, as one of the leading powers on the Pacific Ocean, has rested its policy upon an abiding faith in the future of the people of China and upon the ultimate success in dealing with them on the principles of fair play, patience, and mutual good will. We appreciate the immensity of the task which lies before her statesmen in the development of her country and its Government. The delays in her progress, the instability of her attempts to secure a responsible government were foreseen by Messrs. Hay and Hughes and their contemporaries and were the very obstacles which the policy of the "open door" was designed to meet. We concur with those statesmen, representing all the nations, in the Washington Conference who decided that China was entitled to the time necessary to accomplish her development. We are prepared to make that our policy for the future.

Very sincerely yours,

HENRY L. STIMSON.

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

Mr. SCHWELLENBACH. I yield.

Mr. LUNDEEN. I should like to see a full attendance of the Senate. This, I am sure, is a most important subject; in fact there is no more important subject than that to which the Senator is addressing himself. It has to do with the future of our great Nation and our future relations in the Pacific. I think we are greatly indebted to him for bringing this matter up at this time.

AMERICA'S NOTE

Mr. SCHWELLENBACH. I thank the Senator from Minnesota, and I hope that the Senators who are not present will make some use of the various documents which I intend to put into the RECORD during the course of my remarks.

Now, Mr. President, I wish to read from a statement of policy of the United States which was made by Secretary Stimson on January 7, 1932. It was a note sent by the American Government to the governments of China and Japan. I will read that document rather than have it included in the RECORD by reference.

With the recent military operations about Chinchow, the last remaining administrative authority of the government of the Chinese Republic in south Manchuria, as it existed prior to September 18, 1931, has been destroyed. The American Government continues confident that the work of the neutral commission recently authorized by the Council of the League of Nations will facilitate an ultimate solution of the difficulties now existing between China and Japan. But, in view of the present situation and of its own rights and obligations therein, the American Government deems it to be its duty to notify both the government of the Chinese Republic and the Imperial Japanese Government that it cannot admit the legality of any situation de facto, nor does it intend to recognize any treaty or agreement entered into between those governments, or agents thereof, which may impair the treaty rights of the United States or its citizens in China, including those which relate to the sovereignty, the independence, or the territorial and administrative integrity of the Republic of China, or to the international policy relative to China, commonly known as the "open door" policy; and that it does not intend to recognize any situation, treaty, or agreement which may be brought about by means contrary to the covenants and obligations of the Pact of Paris, of August 27, 1928, to which treaty both China and Japan, as well as the United States, are parties.

In other words, in that statement made by the then Secretary of State we very definitely recognized our responsibilities under the Nine Power Treaty; that was not simply

a matter of the responsibility of those in China and Japan toward our citizens and nationals in China, but that we ourselves, by signing the nine-power agreement, did have a responsibility toward affairs in China and the relationships between China and other nations. Furthermore, that we would never recognize any territory which was acquired in violation of the Kellogg-Briand Pact of 1928.

Mr. President, in considering the question of our relationship with China, I desire at this point to refer to the testimony which was given before the Foreign Relations Committee of the Senate when we were considering neutrality legislation by Dr. Walter H. Judd, who has been in China for many years, and who appeared before our committee as the only witness who testified upon the far eastern situation.

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

Mr. SCHWELLENBACH. I yield.

Mr. LUNDEEN. The Senator referred to the Kellogg-Briand Pact. That is the pact outlawing war, is it not?

Mr. SCHWELLENBACH. It is the pact signed by practically all the nations of the world, in which the nations agreed to relinquish war as an instrument of national policy.

Mr. LUNDEEN. It is a very short treaty, and I hope the Senator will include it in his remarks.

Mr. SCHWELLENBACH. I will include it before I conclude.

Mr. President, I wish to say that when the Committee on Foreign Relations had heard a number of witnesses we had an informal meeting of the committee on the question of other witnesses being called, and it was the unanimous opinion of those present at that meeting that the testimony of Dr. Judd had been so outstanding, and had so clearly and exhaustively outlined the situation in the Far East, that there was no need to call any other witnesses upon the Chinese-Japanese problem.

DR. JUDD'S TESTIMONY

Dr. Judd testified that he went to China first in 1925 as a doctor; he was there until 1931 when he was invalided home; practiced with the Mayo Clinic for 3 years; went back in 1934 to North China and has been in North China since 1934; that he left China 2 months ago, coming back to this country, and appeared at the request of the committee. He further testified that he spoke the Chinese language and also the Japanese language.

I want first to quote from his testimony upon the question of our background so far as China is concerned. He said this:

What is our past with regard to China? For 125 years we have been sending over missionaries to open schools, colleges, hospitals, and churches. It has been the single largest philanthropic enterprise, if considered only as that, that the world has ever seen from one people to another. Unfortunately for China, it led her to assume that because she found she could trust most of the missionaries as individuals therefore she could trust equally the nations from which they had come. That confidence was too implicit and not wholly justified.

In 1899 China was on the chopping block, the powers were on the point of tearing her to pieces, when the United States announced the "open door" policy, refused to recognize the other nations' claims to "spheres of influence"; and our resolute adherence to that doctrine was one of the major factors in preventing China's dismemberment at that time. China has always felt that she was saved by America. We may have forgotten, but she has not.

After the Boxer Rebellion in 1900 when the other nations grabbed their indemnities, America returned hers to China to use for building universities and sending selected students to America to acquire our learning and skills, and then go back to modernize China. We may have forgotten, but China is eternally grateful.

After the revolution in 1911, China took America as her model, as Japan had taken Germany as hers 50 years before. China wanted to be like the great sister Republic of the West, which had seemed to understand and help her all along the way. We encouraged that attitude and sent official and unofficial advisers to help her. China does not forget.

In 1917 we went to war. Woodrow Wilson promptly asked China to go to war on the Allied side. It was not a primary concern of China, but when America, her great friend and counselor, suggested it, she consented.

Then came 1919 and four white men, China's allies, in Versailles, awarded to Japan, another ally, the old German rights and a good deal more in Shantung, China's sacred province. When the word got back to China, the students and teachers, the articulate groups, left their studies and went out into the villages as living newspapers to inform and incite and organize that greatest of all boycotts against Japan. It was the only weapon of resistance they had.

It continued for 2 long years and was at last slowly but surely bringing Japan to terms. She was far more vulnerable then than now. She had not yet developed her great merchant marine; she did not have her economic base in diversified markets all around the world. She was far more dependent upon her China trade. China was on the point of solving her problem by the only method she had, when our country did something else. We called a disarmament conference here in Washington. We wanted Japan to consent to a 3-5-5 ratio of naval strength in relation to our own and Great Britain's. Japan skillfully replied that she could consent only if, in addition to certain other things such as scrapping more than 20 of our naval vessels, giving up our plans to fortify the Philippines, and so forth, we could get the Chinese to call off the boycott. China was glad to do that if the powers would promise that the Japanese troops would get out of Shantung and would stay out; that the nations would promise to all stay out and give China a chance to work out her internal difficulties without the constant fear and threat of external aggression.

We all promised. That is what the Nine Power Pact is—from China's standpoint. If some other nation had suggested that she give up her boycott in exchange for a piece of paper, she would have politely declined. She did not trust Japan or France or England. She did trust America. When we advised, we urged, we persuaded, she consented. China, poor, naive, amateur in international relations, trusted the promises utterly because she had come to trust us.

Mr. President, that is the relationship which we have acquired toward the Chinese as the result of these years of contact with them and the very definite and specific obligation which we assumed under the Nine Power Pact.

THE NINE POWER PACT

I want at this point, because it is too long to read, but I think it is of extreme importance, to insert in the RECORD what is known as the Nine Power Pact, including the proclamation by the President of the United States, and the agreement itself, omitting the names of the signatories.

Mr. LUNDEEN. It will include the names of the nations?

Mr. SCHWELLENBACH. It includes the names of the nations, but not the names of the representatives of the nations.

The PRESIDING OFFICER. Is there objection?

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

BY THE PRESIDENT OF THE UNITED STATES OF AMERICA

A PROCLAMATION

Whereas a Treaty between the United States of America, the British Empire, Belgium, China, France, Italy, Japan, the Netherlands, and Portugal, relating to the Principles and Policies to be followed in matters concerning China, was concluded and signed by their respective plenipotentiaries at Washington on February 6, 1922, the original of which Treaty, in the English and French languages, is word for word as follows:

The United States of America, Belgium, the British Empire, China, France, Italy, Japan, the Netherlands and Portugal:

Desiring to adopt a policy designed to stabilize conditions in the Far East, to safeguard the rights and interests of China, and to promote intercourse between China and the other Powers upon the basis of equality of opportunity;

Have resolved to conclude a treaty for that purpose and to that end have appointed as their respective Plenipotentiaries;

ARTICLE I.

The Contracting Powers, other than China, agree:

(1) To respect the sovereignty, the independence, and the territorial and administrative integrity of China;

(2) To provide the fullest and most unembarrassed opportunity to China to develop and maintain for herself an effective and stable government;

(3) To use their influence for the purpose of effectually establishing and maintaining the principle of equal opportunity for the commerce and industry of all nations throughout the territory of China;

(4) To refrain from taking advantage of conditions in China in order to seek special rights or privileges which would abridge the rights of subjects or citizens of friendly States, and from countenancing action inimical to the security of such States.

ARTICLE II.

The Contracting Powers agree not to enter into any treaty, agreement, arrangement, or understanding, either with one another, or, individually or collectively, with any Power or Powers, which would infringe or impair the principles stated in Article I.

ARTICLE III.

With a view to applying more effectually the principles of the Open Door or equality of opportunity in China for the trade and industry of all nations, the Contracting Powers, other than China,

agree that they will not seek, nor support their respective nationals in seeking—

(a) any arrangement which might purport to establish in favour of their interests any general superiority of rights with respect to commercial or economic development in any designated region of China;

(b) any such monopoly or preference as would deprive the nationals of any other Power of the right of undertaking any legitimate trade or industry in China, or of participating with the Chinese Government, or with any local authority, in any category or public enterprise, or which by reason of its scope, duration or geographical extent is calculated to frustrate the practical application of the principle of equal opportunity.

It is understood that the foregoing stipulations of this Article are not to be so construed as to prohibit the acquisition of such properties or rights as may be necessary to the conduct of a particular commercial, industrial, or financial undertaking or to the encouragement of invention and research.

China undertakes to be guided by the principles stated in the foregoing stipulations of this Article in dealing with applications for economic rights and privileges from Governments and nationals of all foreign countries, whether parties to the present Treaty or not.

ARTICLE IV.

The Contracting Powers agree not to support any agreements by their respective nationals with each other designed to create Spheres of Influence or to provide for the enjoyment of mutually exclusive opportunities in designated parts of Chinese territory.

ARTICLE V.

China agrees that, throughout the whole of the railways in China, she will not exercise or permit unfair discrimination of any kind. In particular there shall be no discrimination whatever, direct or indirect, in respect of charges or of facilities on the ground of the nationality of passengers or the countries from which or to which they are proceeding, or the origin or ownership of goods or the country from which or to which they are consigned, or the nationality or ownership of the ship or other means of conveying such passengers or goods before or after their transport on the Chinese Railways.

The Contracting Powers, other than China, assume a corresponding obligation in respect of any of the aforesaid railways over which they or their nationals are in a position to exercise any control in virtue of any concession, special agreement or otherwise.

ARTICLE VI.

The Contracting Powers, other than China, agree fully to respect China's rights as a neutral in time of war to which China is not a party; and China declares that when she is a neutral she will observe the obligations of neutrality.

ARTICLE VII.

The Contracting Powers agree that, whenever a situation arises which in the opinion of any one of them involves the application of the stipulations of the present Treaty, and renders desirable discussion of such application, there shall be full and frank communication between the Contracting Powers concerned.

ARTICLE VIII.

Powers not signatory to the present Treaty, which have Governments recognized by the Signatory Powers and which have treaty relations with China, shall be invited to adhere to the present Treaty. To this end the Government of the United States will make the necessary communications to nonsignatory Powers and will inform the Contracting Powers of the replies received. Adherence by any Power shall become effective on receipt of notice thereof by the Government of the United States.

ARTICLE IX.

The present Treaty shall be ratified by the Contracting Powers in accordance with their respective constitutional methods and shall take effect on the date of the deposit of all the ratifications, which shall take place at Washington as soon as possible. The Government of the United States will transmit to the other Contracting Powers a certified copy of the procès-verbal of the deposit of ratifications.

The present Treaty, of which the French and English texts are both authentic, shall remain deposited in the archives of the Government of the United States, and duly certified copies thereof shall be transmitted by that Government to the other Contracting Powers.

In faith whereof the above-named Plenipotentiaries have signed the present Treaty.

Done at the City of Washington the Sixth day of February One Thousand Nine Hundred and Twenty-Two.

CHARLES EVANS HUGHES	[SEAL]
HENRY CABOT LODGE	[SEAL]
OSCAR W. UNDERWOOD	[SEAL]
ELIHU ROOT	[SEAL]
BARON DE CARTIER DE MARCHIENNE	[SEAL]
ARTHUR JAMES BALFOUR	[SEAL]
LEE OF FAREHAM	[SEAL]
A. C. GEDDES	[SEAL]
R. L. BORDEN	[SEAL]
G. F. PEARCE	[SEAL]
JOHN W. SALMOND	[SEAL]
ARTHUR JAMES BALFOUR	[SEAL]
V S SRINIVASA SASTRI	[SEAL]
SAO-KE ALFRED SZE	[SEAL]
V. K. WELLINGTON KOO	[SEAL]
CHUNG-HUI WANG	[SEAL]
A SARRAUT	[SEAL]
JUSSERAND	[SEAL]
CARLO SCHANZER	[SEAL]
V. ROLANDI RICCI	[SEAL]
LUIGI ALBERTINI	[SEAL]
T. KATO	[SEAL]
K. SHIDEHARA	[SEAL]
M. HANIHARA	[SEAL]
BEELAERTS VAN BLOKLAND	[SEAL]
W. DE BEAUFORT	[SEAL]
ALTE	[SEAL]
ERNESTO DE VASCONCELOS	[SEAL]

And Whereas the said Treaty has been duly ratified on all parts and the ratifications of the said Governments were deposited with the Government of the United States of America on August 5, 1925;

Now, therefore, be it known that I, Calvin Coolidge, President of the United States of America, have caused the said Treaty to be made public, to the end that the same and every article and clause thereof may be observed and fulfilled with good faith by the United States and the citizens thereof.

In testimony whereof, I have hereunto set my hand and caused the seal of the United States of America to be affixed.

Done in the City of Washington, this fifth day of August in the year of our Lord one thousand nine hundred and [SEAL] twenty-five and of the Independence of the United States of America the one hundred and fiftieth.

CALVIN COOLIDGE

By the President:
FRANK B. KELLOGG
Secretary of State

PROCÈS-VERBAL

OF DEPOSIT OF RATIFICATIONS OF THE TREATY BETWEEN THE UNITED STATES OF AMERICA, BELGIUM, THE BRITISH EMPIRE, CHINA, FRANCE, ITALY, JAPAN, THE NETHERLANDS, AND PORTUGAL, RELATING TO PRINCIPLES AND POLICIES TO BE FOLLOWED IN MATTERS CONCERNING CHINA, CONCLUDED AT WASHINGTON FEBRUARY 6, 1922.

In conformity with Article IX of the Treaty between the United States of America, Belgium, the British Empire, China, France, Italy, Japan, the Netherlands, and Portugal, relating to principles and policies to be followed in matters concerning China, concluded at Washington February 6, 1922, the undersigned representatives of the United States of America, Belgium, the British Empire, China, France, Italy, Japan, the Netherlands, and Portugal, this day met at the Department of State at Washington to proceed with the deposit with the Government of the United States of the instruments of ratification of the said Treaty by the Governments they represent.

The instruments of ratification produced having been found upon examination to be in due form, are entrusted to the Government of the United States of America to be deposited in the archives of the Department of State.

In Witness Whereof, the present procès-verbal, of which a certified copy will be sent by the Government of the United States of America to each of the Powers signatory to the said treaty, is signed.

Done at Washington, August 5, 1925, at 12 o'clock.

For United States of America:	FRANK B. KELLOGG	[SEAL]
For Belgium:	R. TILMONT	[SEAL]
For the British Empire:	H. G. CHILTON	[SEAL]
For China:	SAO-KE ALFRED SZE	[SEAL]
For France:	E. DAESCHNER	[SEAL]
For Italy:	G. DE MARTINO	[SEAL]
For Japan:	T. MATSUDAIRA	[SEAL]
For the Netherlands:	H. VAN ASCH VAN WYCK	[SEAL]
For Portugal:	ALTE	[SEAL]

[*Note by the Department of State*]

The ratifications of the signatory powers of the treaty regarding principles and policies to be followed in matters concerning China (Nine-Power Treaty) were duly deposited with the Government of the United States of America on August 5, 1925, as shown by the procès-verbal of deposit of that date, as follows:

UNITED STATES OF AMERICA	ITALY
BELGIUM	JAPAN
BRITISH EMPIRE	NETHERLANDS
CHINA	PORTUGAL
FRANCE	

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

Mr. SCHWELLENBACH. I yield.

Mr. KING. It may not be pertinent to the matter which the Senator is discussing, but it occurs to me that it might be appropriate to have inserted in the RECORD the provisions of the Kellogg-Briand Pact, and the notations by the Japanese Government and also by the German Government indicating their approval of it.

THE KELLOGG-BRIAND PACT

Mr. SCHWELLENBACH. I intended to put that in later, but I think it might well go in at this point. I ask unani-

mous consent that at this point the Kellogg-Briand Pact, with the notations mentioned by the Senator from Utah, be included in the RECORD.

The PRESIDING OFFICER. Is there objection?

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

ARTICLE I

The High Contracting Parties solemnly declare in the names of their respective peoples that they condemn recourse to war for the solution of international controversies, and renounce it as an instrument of national policy in their relations with one another.

ARTICLE II

The High Contracting Parties agree that the settlement or solution of all disputes or conflicts of whatever nature or of whatever origin they may be, which may arise among them, shall never be sought except by pacific means.

ARTICLE III

The present Treaty shall be ratified by the High Contracting Parties named in the Preamble in accordance with their respective constitutional requirements, and shall take effect as between them as soon as all their several instruments of ratification shall have been deposited at Washington.

This Treaty shall, when it has come into effect as prescribed in the preceding paragraph, remain open as long as may be necessary for adherence by all the other Powers of the world. Every instrument evidencing the adherence of a Power shall be deposited at Washington and the Treaty shall immediately upon such deposit become effective as between the Power thus adhering and the other Powers parties hereto.

It shall be the duty of the Government of the United States to furnish each Government named in the Preamble and every Government subsequently adhering to this Treaty with a certified copy of the Treaty and of every instrument of ratification or adherence. It shall also be the duty of the Government of the United States telegraphically to notify such Governments immediately upon the deposit with it of each instrument of ratification or adherence.

IN FAITH WHEREOF the respective Plenipotentiaries have signed this Treaty in the French and English languages both texts having equal force, and hereunto affix their seals.

DONE at Paris, the twenty-seventh day of August in the year one thousand nine hundred and twenty-eight.

[SEAL] GUSTAV STRESEMANN
[SEAL] FRANK B KELLOGG
[SEAL] PAUL HYMANS
[SEAL] ARI BRIAND
[SEAL] CUSHENDUN
[SEAL] W. L. MACKENZIE KING
[SEAL] A J MCLACHLAN
[SEAL] C. J. PARR
[SEAL] J S. SMIT
[SEAL] LIAM T. MACCOSGAIR
[SEAL] CUSHENDUN
[SEAL] G. MANZONI
[SEAL] UCHIDA
[SEAL] AUGUST ZALESKI
[SEAL] DR EDOUARD BENES

AND WHEREAS it is stipulated in the said Treaty that it shall take effect as between the High Contracting Parties as soon as all the several instruments of ratification shall have been deposited at Washington;

AND WHEREAS the said Treaty has been duly ratified on the parts of all the High Contracting Parties and their several instruments of ratification have been deposited with the Government of the United States of America, the last on July 24, 1929;

NOW, THEREFORE, be it known that I, Herbert Hoover, President of the United States of America, have caused the said Treaty to be made public, to the end that the same and every article and clause thereof may be observed and fulfilled with good faith by the United States and the citizens thereof.

IN TESTIMONY WHEREOF, I have hereunto set my hand and caused the seal of the United States to be affixed.

DONE at the city of Washington this twenty-fourth day of July in the year of our Lord one thousand nine hundred and [SEAL] twenty-nine, and of the Independence of the United States of America the one hundred and fifty-fourth.

HERBERT HOOVER

By the President:
HENRY L. STIMSON
Secretary of State

ADHERING COUNTRIES

When this Treaty became effective on July 24, 1929, the instruments of ratification of all of the signatory powers having been deposited at Washington, the following countries, having deposited instruments of definitive adherence, became parties to it:

Afghanistan
Albania
Austria
Bulgaria
China
Cuba
Denmark
Dominican Republic
Egypt
Estonia
Ethiopia
Finland
Guatemala
Hungary
Iceland
Latvia
Liberia
Lithuania
Netherlands
Nicaragua
Norway
Panama
Peru
Portugal
Rumania
Russia
Kingdom of the Serbs, Croats and Slovenes
Siam
Spain
Sweden
Turkey

LANGUAGE IS NOT NEW

Mr. SCHWELLENBACH. Mr. President, it is of interest that the recognition of the territorial integrity of China did not come through the use of new language by the conference here in Washington at the time of the agreement to the Nine Power Pact. On November 2, 1917, the then Secretary of State, Mr. Robert Lansing, wrote a letter to the Ambassador from Japan concerning the situation in China and I wish to have it inserted in the RECORD at this point.

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

DEPARTMENT OF STATE,
Washington, November 2, 1917.

EXCELLENCY:

I have the honor to communicate herein my understanding of the agreement reached by us in our recent conversations touching the questions of mutual interest to our Governments relating to the Republic of China.

In order to silence mischievous reports that have from time to time been circulated, it is believed by us that a public announcement once more of the desires and intentions shared by our two Governments with regard to China is advisable.

The Governments of the United States and Japan recognize that territorial propinquity creates special relations between countries, and, consequently, the Government of the United States recognizes that Japan has special interests in China, particularly in the part to which her possessions are contiguous.

The territorial sovereignty of China, nevertheless, remains unimpaired and the Government of the United States has every confidence in the repeated assurances of the Imperial Japanese Government that while geographical position gives Japan such special interests they have no desire to discriminate against the trade of other nations or to disregard the commercial rights heretofore granted by China in treaties with other powers.

The Governments of the United States and Japan deny that they have any purpose to infringe in any way the independence or territorial integrity of China and they declare, furthermore, that they always adhere to the principle of the so-called "open door" or equal opportunity for commerce and industry in China.

Moreover, they mutually declare that they are opposed to the acquisition by any Government of any special rights or privileges that would affect the independence or territorial integrity of China or that would deny to the subjects or citizens of any country the full enjoyment of equal opportunity in the commerce and industry of China.

I shall be glad to have Your Excellency confirm this understanding of the agreement reached by us.

Accept, Excellency, the renewed assurance of my highest consideration.

ROBERT LANSING.

His Excellency
Viscount KIKUJIRO ISHII,
Ambassador Extraordinary and Plenipotentiary of Japan, on Special Mission.

Mr. SCHWELLENBACH. Mr. President, I wish to read especially one portion of the letter. This was a mutual note which was jointly published, and was in the nature of an exchange of notes by our Secretary of State and the Japanese Government. No treaty was signed, no treaty was ratified by the parliamentary bodies of the two nations. Nevertheless the note was made public, and made public for a very definite purpose, the date being November 2, 1917, and the purpose being to make it of assistance to both parties in the international situation which existed at that time.

I read the following from the note:

The Governments of the United States and Japan deny that they have any purpose to infringe in any way the independence or territorial integrity of China and they declare, furthermore, that they always adhere to the principle of the so-called "open door" or equal opportunity for commerce and industry in China.

Moreover, they mutually declare that they are opposed to the acquisition by any government of any special rights or privileges that would affect the independence or territorial integrity of China or that would deny to the subjects or citizens of any country the full enjoyment of equal opportunity in the commerce and industry of China.

EFFECT OF CHINESE ACTION

Mr. President, I think it might be well at this point to go back into the discussions which occurred here in Washington at the time of the conference called by President Harding, and directed by the then Secretary of State, now the Chief Justice of the United States, the Honorable Charles Evans Hughes. The background of it was outlined by Dr. Judd—he spoke of the Chinese embargo against Japanese goods, and the effectiveness of it, and the contention upon the part of Japan that she wanted that embargo to be lifted. Then the request was made that the Chinese delegation present to the Washington Conference the language which she would like to have in the agreement. On page 866 of the report of the Conference on the Limitation of Armaments held in Washington from November 12, 1921, to February 6, 1922, we find the following:

In conformity with the agenda of the conference, the Chinese Government proposes for the consideration of and adoption by the conference the following general principles to be applied in the determination of the questions relating to China:

1. (a) The powers engage to respect and observe the territorial integrity and political and administrative independence of the Chinese Republic.

(b) China, upon her part, is prepared to give an undertaking not to alienate or lease any portion of her territory or littoral to any power.

2. China, being in full accord with the principle of the so-called open door or equal opportunity for the commerce and industry of all nations having treaty relations with China, is prepared to accept and apply it in all parts of the Chinese Republic without exception.

Mr. President, that is the part which I wanted specifically to read into the RECORD, and I now ask unanimous consent that items 3 to 10, inclusive, contained on page 868 of the conference report, be printed in the RECORD at this point.

The PRESIDING OFFICER. Is there objection?

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

3. With a view to strengthening mutual confidence and maintaining peace in the Pacific and Far East, the powers agree not to conclude between themselves any treaty or agreement directly affecting China or the general peace in these regions without previously notifying China and giving to her an opportunity to participate.

4. All special rights, privileges, immunities, or commitments, whatever their character or contractual basis, claimed by any of the powers in or relating to China are to be declared, and all such or future claims not so made known are to be deemed null and void. The rights, privileges, immunities, and commitments, now known or to be declared, are to be examined with a view to determining their scope and validity and, if valid, to harmonizing them with one another and with the principles declared by this conference.

5. Immediately, or as soon as circumstances will permit, existing limitations upon China's political, jurisdictional, and administrative freedom of action are to be removed.

6. Reasonable, definite terms of duration are to be attached to China's present commitments which are without time limits.

7. In the interpretation of instruments granting special rights or privileges, the well-established principle of construction that such grants shall be strictly construed in favor of the grantors, is to be observed.

8. China's rights as a neutral are to be fully respected in future wars to which she is not a party.

9. Provision is to be made for the peaceful settlement of international disputes in the Pacific and the Far East.

10. Provision is to be made for future conferences to be held from time to time for the discussion of international questions relative to the Pacific and the Far East, as a basis for the determination of common policies of the signatory powers in relation thereto.

Mr. SCHWELLENBACH. Mr. President, as a result of that proposal by the Chinese representatives, the chairman suggested that as this matter was of such importance, it might be fitting to reserve it for further discussion until after there had been time to study it.

Then there was a discussion by the chairman, Mr. Balfour, Mr. Robert Borden, Mr. Koo, Senator Underwood, Senator Lodge, and Senator Schanzer, and the following procedure was adopted:

The heads of delegations were appointed a subcommittee to consider the arrangement of the different topics relating to the Pacific and the Far East and to make recommendations to the general committee.

Shortly after that the report of the subcommittee was set forth by the chairman and general discussion was in order. Admiral Baron Kato made the following statement on the part of Japan:

1. It seems to the Japanese delegation that existing difficulties in China lie no less in her domestic situation than in her external relations. We are anxious to see peace and unity reestablished at the earliest possible moment, but we want to avoid all action that may be construed as an intervention in the internal affairs of China. All that this conference can achieve is, it seems to us, to adjust China's foreign relations, leaving her domestic situation to be worked out by the Chinese themselves.

In the light of some of the statements made since that time by the Japanese, in which they have contended that they had a right to go in and take charge of China because of the fact that China was not able to govern itself, this particular statement of Baron Kato at the Washington conference is not only interesting, but significant. He then proceeded to say:

The Japanese delegation wishes to assure the Chinese delegation and the whole conference that Japan has every desire to cultivate the happiest relations with China. We are solicitous of making whatever contributions we are capable of toward China's realization of her just and legitimate aspirations. We are entirely uninfluenced by any policy of territorial aggrandizement in any part of China. We adhere without condition or reservation to the principle of "the open door and equal opportunity" in China.

THE PORTUGUESE VIEWPOINT

Proceeding, the Portuguese delegate suggested that, in view of the fact that Mr. Elihu Root had been intimately related with Mr. Hay at the time of the original declaration in 1899, and had the confidence of all the members of the conference, Mr. Root should get up a statement which would be the statement of the conference if it were agreed to. This is found on page 880 of the report:

Mr. Root said he was quite in agreement with the opinion of the Portuguese delegate, that a mere expression of principle was not, of itself, of the hghest value; however, he believed it was the necessary first step toward accomplishing the result which evidently all wished to accomplish in regard to China. He said that perhaps he might have a personal predisposition on account of having been a colleague of Secretary Hay in President McKinley's Cabinet, at the time Secretary Hay pronounced in favor of the open door; he was immensely pleased at the unqualified affirmative agreement of the powers to that principle. As he sat listening to the expression from the various delegations, he had been considering how to arrive at an expression of the points covered. It appeared, he said, (1) that all were agreed to respect the independence and territorial and administrative integrity of the Chinese Republic; (2) that all were agreed to follow a policy tending to secure to her the fullest possible opportunity to develop an effective form of government for herself, under the new conditions created by her abandonment of the old imperial form of government; (3) that all were agreed that there should be an equality of opportunity for the commerce and industry of all nations throughout China.

But anyone who had studied questions relating to the Far East and the Pacific knew that these same things had been repeated over and over again; they were repeated in 1902, 1905, and 1911, in the treaties between Great Britain and China; in the agreement of 1907 between France and Japan; in 1905, at Portsmouth; and in 1908 in the agreement known as the Takahira-Root agreement; they were the settled policy in the community of civilized nations, and he thought it would be useful to restate these principles all together.

As a result of that it was, as I have said, suggested that Mr. Root draw up the expression which he thought satisfactory.

Mr. President, going on with the report which Mr. Root made to the conference, the Chinese representative desired clarification and asked Mr. Root if in clause (1) the word "respect" included the idea "observe." The Senate will remember that I read from the original Chinese proposal, in which they used both words "respect" and "observe." The representatives of the Chinese Government at the conference had a feeling apparently that there might be a doubt raised by leaving out the word "observe," and the Chinese representatives asked for clarification upon that question. The Chinese representative stated that he had received the copy only as he entered the room and desired that the entire delegation should have the opportunity to consider the whole resolution.

Mr. Root replied that he regarded the word "respect" as rather stronger than the word "observe," stating that it made it really a declaration of the rule by which each signatory power would be guided in its individual conduct; that it did not import affirmative action; that it did not import interference by one country with another; that it did import what each one of the countries would do.

The Japanese representative, Baron Kato, asked the meaning of the phrase "administrative integrity" as used in the proposed resolution. He desired to know if this referred to political independence and was not intended to touch upon interests or privileges which in the past had been granted to various countries.

Mr. Root spoke with reference to their effect upon privileges that had already been granted. He replied that this phrase certainly did not affect any privileges accorded by valid or effective grants; that, on the contrary, respect for the administrative integrity of a country required respect for the things that are done in the exercise of its full sovereignty by an independent State.

MR. ROOT'S WORDS

I think it might be well to recall to the minds of the Senators what has occurred since 1931, up in Manchuria, and what has occurred since 1937 in other parts of China. Taking into consideration the definition by Mr. Root of the words "administrative integrity" and taking into consideration the fact that he specifically pointed out that the use of the word "respect" meant that each nation for itself would respect China's territorial integrity. We then can see how far Japan has gone from keeping the agreement which was made in reference to China in the nine-power pact.

Without very much further discussion, the resolution was read, and on page 900 we find the following language:

There being no further objection, each delegation was called and the resolution was unanimously adopted as follows:

It is the firm intention of the powers attending this Conference hereinafter mentioned, to wit, the United States of America, Belgium, the British Empire, France, Italy, Japan, the Netherlands, and Portugal:

(1) To respect the sovereignty, the independence, and the territorial and administrative integrity of China;

(2) To provide the fullest and most unembarrassed opportunity to China to develop and maintain for herself an effective and stable government;

(3) To use their influence for the purpose of effectually establishing and maintaining the principle of equal opportunity for the commerce and industry of all nations throughout the territory of China;

(4) To refrain from taking advantage of the present conditions in order to seek special rights or privileges which would abridge the rights of the subjects or citizens of friendly States and from countenancing action inimical to the security of such States.

Mr. SCHWELLENBACH. Mr. President, a few minutes ago I referred to the situation in which President Wilson asked the Chinese Government to join with us in our declaration of war against Germany, and the willingness of the Chinese Government to do that because of her friendly relations with the United States, and the confidence she had in the United States. I think we ourselves should just for a minute stop and consider what happened to China.

President Wilson found in the Far East precisely the same situation that he found in every other part of the world. We went into the war with the understanding that we were to accomplish certain things. We allied ourselves with certain nations, and when President Wilson got to Versailles he found that on point after point secret private agreements had been made between our allies, parceling out certain portions of the world to various nations in order that our allies might get the support of those nations.

I do not think any fair-minded person can doubt that President Wilson, in prevailing upon China to join with us in the war against Germany, was wholly sincere in his belief that it would be possible for him to protect China when the peace treaty was written.

Yet he got to Versailles and found the secret agreement between England and France on the one side and Japan on the other, by which it was agreed that if the Allies should defeat the Central Powers, Germany's rights in China would be turned over to the Japanese. And the poor Chinese, who had joined up so readily and so willingly, without any promise, without asking for anything, ended up as allies in a victorious war, and instead of finding part of their country under the domination and control of a nation on the other side of the world, found it now transferred to the domination and control of a nation which had, as I will show in a few minutes, already, through the medium of its 21 demands, indicated its absolute and complete intention ultimately to destroy the territorial integrity of China.

But I do think since we participated in that meeting at Versailles that we should have some thought about what China got out of that war. Some things are funny, but they are impressive, because of the fact that they are funny, and being funny and impressive, they are also sad and tragic, and I think what happened to China at Versailles certainly can only be classified as tragic.

I read from a book written by a prominent writer, Carl Crow, the title of which is "I Speak for the Chinese." I read from page 29:

Chinese delegates sat at the peace conference and day by day saw their hopes still further crushed, their claims ignored. So incensed were they that they refused to sign the treaty. But the claims of China were not entirely overlooked. During the Boxer uprising the German troops in Peking had seized the ancient bronze astronomical instruments from the Imperial Astronomical Observatory and sent them to Potsdam, where they remained as a souvenir of the part Germany played in suppressing the Boxers. The Versailles Peace Conference compelled Germany to return the astronomical instruments to China. It was the booby prize of the war, and was regarded by the Chinese as nothing more than an ironical gesture.

LACKED OUR RESPONSIBILITY

So far as the rest of the nations are concerned, I do not think that probably they should have felt very badly about their treatment toward China at Versailles. They did not have the responsibility toward China that we had. We ourselves had, through the medium of our President, Woodrow Wilson, induced China to join with us against the Central Powers in the late war.

I mentioned a minute ago about the attitude of Japan toward China, and I think it is now a proper point to try to consider what the attitude of Japan always has been toward China. This present adventure of Japan in China is not her first. Ever since Commodore Perry established relationships between Japan and the outside world in 1853, and the Japanese people had been taught the ideas of the outside world, they also commenced to acquire the territorial ideas and the aggressive ideas of the outside world. We must admit that the world itself taught Japan about aggression and territorial expansion. From shortly after 1853 evidences may be obtained to show that Japan had those ambitions and aspirations toward China.

Mr. LUNDEEN. Mr. President——

Mr. SCHWELLENBACH. I yield to the Senator from Minnesota.

Mr. LUNDEEN. Perhaps the Senator has already stated what I had in mind, that much of that which Japan has done, and much of the progress she has made along the line of armaments, and so forth, we ourselves have taught her. We met her at the time of the bow and arrow, the spear and the sword. We said, "We have a long barrel. We just put an iron slug in it and put some powder behind it, and you can shoot the bow-and-arrow man long before he can hit you." We proceeded to instill that idea. After that we said, "We have something that runs on wheels, that will throw a shell much farther than any rifle will shoot." We must accept some responsibility; and I think the Senator has well stated it.

Mr. SCHWELLENBACH. The first actual outbreak, however, came in the Chinese-Japanese War of 1894 and 1895. The policy of attempting to acquire territory in China by the Japanese has extended from that date until this.

Mr. President, I found in a little book on the reference shelf, called Chinese-Japanese War, an outline of those various attempts from 1894 down to date; and I ask unanimous consent that that portion contained on pages 86 to 90,

inclusive, entitled "Summary View of Japan's Aggression in China," be printed in the RECORD at this point.

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

SUMMARY VIEW OF JAPAN'S AGGRESSION IN CHINA[1]

LANDMARKS IN THE COURSE OF AGGRESSION

1. The Sino-Japanese War, 1894–95.
a. By the Treaty of Shimonoseki Japan:
(1) Deprived China of Korea, Formosa, and the Pescadores.
(2) Acquired a foothold in Manchuria.
(3) Exacted an indemnity of 200,000,000 taels.
2. The Russo-Japanese War, 1904–05.
a. By the Treaty of Portsmouth Japan took bodily the rights and privileges acquired by Russia in south Manchuria.
3. Further acquisitions of railway and mining rights, 1905–14.
a. The crisis of 1909 and the five agreements concerning Manchuria.
b. The Nanking incident of 1913 and the demand for five railways in Manchuria and Mongolia.
4. During the Great War, 1914–18.
a. The seizure of Tsingtao (1914); the 21 demands (1915); secret treaties to guarantee the illicit gains (1916–17).
b. Lavish loans to incite and prolong China's internal strife (1916–18).
c. War-participation agreements, under cover of which Japan secured freedom of movement in Manchuria and other privileges (1917–18).
5. The Peace Conference, 1919.
a. Japan blocked China's rightful claims and secured the Shantung award.
6. The Washington Conference (1921–22).
a. The force of world opinion constrained Japan to relinquish Shantung and to halt temporarily her open aggression.
7. The Tsinan crisis, 1928.
a. Japan bombarded the city of Tsinan.
8. The Manchurian crisis, 1931.
a. Japan occupied south Manchuria.
9. The Shanghai invasion, 1932.
a. Japan occupied Shanghai.

RESULTS OF HALF-CENTURY AGGRESSION

A. Territorial gains and political influences.
1. Robbing China of her dependencies.
a. Riukow (Loochow).
(1) A Chinese dependency since 1371.
(2) Incorporated into Japanese Empire, 1879.
b. Korea.
(1) A dependency of China since early times.
(2) Japan's treaty with Korea refusing to recognize Chinese suzerainty, 1871.
(3) Japan's fight against China for domination in Korea, 1894.
(4) Annexation, 1910.
2. Annexation of Chinese territories.
a. Formosa, 1895.
b. The Prescadore Islands, 1895.
3. "Leases."
a. Liaotung, including Port Arthur and Dairen.
(1) Taken by Japan, 1895. Restored under compulsion of Russia, Germany and France.
(2) Taken over from Russia in consequence of the Russo-Japanese War, 1905.
(3) Lease extended 99 years, 1915 (1 of the 21 demands).
4. Concessions.
a. Mukden, Changchun, Newchang, Tientsin, Hankow, Shashih, Chungching, Soochow, Hangchow, Amoy.
5. Spheres of influence.
a. Fukien.
(1) Inalienation agreement, 1898.
(2) Reaffirmed by the 21 demands, 1915.
(3) Abolished by the Nine Power Pact of 1922.
b. Shangtung.
(1) Seizure of Tsingtao and privileges in Shantung, 1914.
(2) Restoration to China, 1922.
6. Encroachments in Manchuria and Mongolia.
a. Succession to Russia's leases and privileges in south Manchuria, 1905.
b. Acquisition of more railway and mining rights, 1909, 1913.
c. Tightening of control—group II of the 21 demands, 1915.
d. Further acquisition of railway and mining rights by the loans. and agreements of 1917–1918.
e. Attempts to extend Japanese influences into north Manchuria and Mongolia, 1918–22.
f. Military invasion by Japanese troops, 1931.
B. Railway and mining rights.
1. Railway rights:
a. Railways under Japanese control.
(1) Dairen-Changchun (trunk line of the South Manchurian Ry).
(2) Mukden-Antung.
(3) Ssuekiatun-Fushun.
(4) Tashihchiao-Yinkow.
(5) Dairen-Port Arthur.
(Branch line of the South Manchurian Ry.)
(6) Kirin-Changchun (virtually since 1918).
(7) Tsingtao-Tsinan, 1914–22.
b. Railroads under Japanese financial influences.
(1) Mukden-Simintun.
(2) Ssupinkai-Taonan.
(3) Nanchang.
c. Railroads which Japan demands the right to build.
(1) Kaiyuan-Hailing-Kirin.
(2) Changchun-Jehol.
(3) Kirin-Hueining (Korea).
(4) (Tsinan-Shunteh and Kaomi-Suchow, 1918–22.)
2. Mining rights.
a. In Manchuria:
(1) Coal mines along the south Manchurian railways, 1905.
(2) Fushun and Yentai (the former one of the richest collieries in China), 1909.
(3) Acquisition of the right to exploit more mines by the 21 demands, 1915 (mines in 6 localities in Fentien, in Kirin).
b. In Shangtung:
(1) Succession to Germany's right to exploit the mines along the Tsingtao-Tsinan Railway, 1914.
(2) Change to Sino-Japanese joint operation, 1922.
c. Along the Yangtze Valley.
(1) Tayeh iron mines, Pinshiang coal mines and the Hanyehping Co.
(2) Taochung, Anhui.
d. In Fukien—Near Amoy.

[1] From pamphlet Secret Doctrines Relating to the Japanese Policy Toward Manchuria and Mongolia, by Tun-Chang Hsu, Ph. D., sometime Carnegie fellow of international law, p. 2–5. Peiping, China, January 31, 1931.

Mr. LUNDEEN. Mr. President——

Mr. SCHWELLENBACH. I yield.

Mr. LUNDEEN. Is the Senator referring to the war of 1893?

"JAPAN MUST FIGHT BRITAIN"

Mr. SCHWELLENBACH. It starts at that time, and comes down to date.

While we are on the point of what Japan has learned from other nations, I think it would be of interest to all of us to know what the Japanese attitude is as a result of the knowledge which she has acquired. The most interesting statement of it is in a book written by a lieutenant commander of the Japanese Navy named Tota Ishimaru. In this book entitled "Japan Must Fight Britain" is entitled in its entirety the argument of the Japanese with reference to the future. I wish to read from the last two pages of the book:

> The British Empire is on the downgrade, or perhaps at the parting of the ways that lead to salvation and destruction. To fight Japan is to court destruction. England had better swallow her pride and make way. That is the wisest thing she can do to protect herself; she has territorial possessions in abundance.
>
> * * * * * * *
>
> Japan, England, and America are the three great Pacific powers; harmony and cooperation between them will bring peace. If the Pacific should prove to be the scene of another world war, it will be because the influence and possessions of these three are not evenly balanced and because two of them, England and America, persist in endeavoring to have everything their own way at the expense of the third. A condition precedent to the preservation of peace is that England and America should give way and enable a balance to be maintained.
>
> Let each of the three reign supreme in its own domain. America in the eastern, Japan in the western, England in the southern Pacific. Let each keep to its own allotted area, there to guide and guard the other powers. Let each respect the wishes of the others, honestly assist their progress and development, finally abandon all ideas of racial discrimination and hatred, remove all tariff walls and restrictions on migration, encourage the settlement of differences by an efficient system of arbitration. Then limitation of armament will present no difficulties, mutual confidence will increase, and the Pacific Ocean will not belie its name.
>
> But unless America and England, and especially the latter who is the more likely to come into collision with Japan, make way, all this is but so much froth.
>
> England holds the key to the peace of the Pacific. Whether that ocean belies its name, whether it becomes the scene of another world war, depends on the attitude of the British people.

Mr. President, there may be those who will argue that it is perfectly proper to have Japan control the area which the lieutenant commander points out, to have us control the eastern part of the Pacific, and to have England control the southern part of the Pacific. There may be many who will argue that that is the proper solution of the problem. However, the fact is that our Government and other governments solemnly agreed that that would not be the policy; and we pledged ourselves, so far as we were concerned, that that

would not be our policy. The Japanese Government is repeatedly importuning our Government to adopt precisely that policy.

I know that there are some personal problems with reference to Japanese fishing off the coast of Alaska. Fortunately we have been able to settle them amicably during the past few years; but I know that at any time, if we had agreed, Japan would have entered into any sort of an understanding we had wanted, saying, "We will draw a line down through the center of the Pacific Ocean. We will stay on one side and you will stay on the other, and there will be no argument about salmon fishing." However, we had entered into a solemn obligation binding not merely our Government but our own citizens, and each of them, to recognize and respect the territorial and administrative integrity of China. Once we attempt to adopt the sort of policy outlined by the lieutenant commander of the Japanese Navy we act in express violation of a solemn agreement into which we have entered.

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

Mr. SCHWELLENBACH. I yield to the Senator from Minnesota.

Mr. LUNDEEN. It seems to me that the Nine Power Pact gave the mandated islands to Japan. As I remember, they were spread all over the Pacific, in various zones and areas. I will say to the Senator that I was never much of an advocate of the Nine Power Pact. However, that is beside the question. We gave great mandated areas to the Japanese, and the Japanese, as soon as they got their hands on them, immediately began to fortify them. Is not that just exactly what we should have expected?

Mr. SCHWELLENBACH. I think the Senator is mistaken in using the word "gave."

Mr. LUNDEEN. The islands were mandated.

VERSAILLES ACTION CONFIRMED

Mr. SCHWELLENBACH. The Nine Power Pact confirmed the action at Versailles in reference to the mandated islands. For all practical purposes Japan obtained them at Versailles. They did not quite close up the title to them at Versailles; and the Nine Power Agreement——

Mr. LUNDEEN. The Nine Power Agreement put the seal of approval on the title.

Mr. SCHWELLENBACH. The Nine Power Agreement put the seal of approval on it. They had an inchoate control over them before, and the Nine Power Agreement clinched it.

Mr. LUNDEEN. We spread Japan all over the Pacific, and put the seal of approval on it. What could we expect, except that she would fortify the islands and put herself in a powerful position, and almost immediately begin to breast her way over the waves of the Pacific and try to shoulder other nations out of their areas?

Mr. SCHWELLENBACH. Mr. President, a few minutes ago I referred to 21 demands which were made by the Japanese Government on the Chinese Government in 1915. I wish to refer to them at this point, because I think they also fit into the general picture which it is necessary to obtain in order to make a proper appraisal of the entire problem. In doing so I think I can save time by reading from a book written by an author of great prominence on Far Eastern affairs, G. Zay Wood, who has written a number of books. He is a graduate of Columbia University, and has been president of the Chinese Political Science Association. He wrote a book entitled "Chino-Japanese Treaties of 1915." I wish to read briefly from that book:

> The Chino-Japanese treaties of 1915, taken all together, comprise two treaties, properly so called, one respecting the Province of Shantung and the other respecting south Manchuria and eastern Inner Mongolia, and 13 diplomatic notes exchanged between the Chinese and the Japanese Governments and presumably attached to the above 2 treaties. For the sake of convenience these 2 treaties and 13 notes are hereafter referred to merely as "the Chino-Japanese treaties of 1915." They were concluded on May 25 of the said year as the result of the series of diplomatic negotiations in regard to the 21 demands. The said demands were made by the Japanese Government January 18, 1915, and were pressed upon the Chinese Government for acceptance in their entirety. The nature and the contents of these demands, the motive which had actuated them, and their political and economic significance have been treated in extenso in the brochure, The Twenty-one Demands. We need only recapitulate them very briefly here in order to make our narrative comprehensible.
>
> The demands consisted of five groups, the first relating to Japan's succession to the German rights and concessions in the Shantung Province, the second relating to Japan's special interests in south Manchuria and eastern Inner Mongolia, the third relating to Japan's desire of making the Han-yeh-ping Co. a Chino-Japanese joint enterprise, the fourth asking for nonalienation of the coast of China, and the fifth relating to the questions of China's national advisers, police administration, purchase of arms, Japanese religious propaganda in China, Yangtze Valley railways, and Fukien Province. Except the fifth group, which was postponed for "future negotiation," the first four groups of demands were embodied, in one form or another, in the 2 treaties and 13 annexed notes.

He then goes on to say:

> Studied from the point of view of international law, the Chino-Japanese treaties of 1915 are void, on a good many grounds, some of which may appear extravagant, but some are undoubtedly unanswerable. Among these grounds may be mentioned (1) lack of legislative sanction.

He goes on in the next chapter to outline in detail the complete failure of the legislative branch of the Chinese Government to ratify the two treaties executed in 1915, and cites the provision of the constitution of China, written at Nanking in January 1912, which says that:

> The provisional president shall have power, with the concurrence of the national assembly, to declare war and conclude treaties.

That is almost the same sort of provision we have in our Constitution, which requires the adherence and ratification of the Senate before a treaty which has been signed by the executive branch of our Government becomes effective. Certainly no one would claim that if our Secretary of State signed a treaty and it failed to come to the Senate for ratification, it would be binding upon our Government under our Constitution.

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

Mr. SCHWELLENBACH. I yield.

Mr. VANDENBERG. We have been doing that very thing with reciprocal-trade agreements.

Mr. SCHWELLENBACH. I am discussing the far eastern situation. I do not think the Senator seriously wishes to inject that question into this discussion.

Mr. LUNDEEN. Mr. President——

Mr. SCHWELLENBACH. I yield to the Senator from Minnesota.

Mr. LUNDEEN. I agree with what the Senator from Michigan has said.

Mr. SCHWELLENBACH. Mr. Wood continues:

> (2) Vital change of circumstances under which they were entered into, (3) disappearance of one of their objects, (4) conflict with the existing treaties, (5) violation of the open-door principle, (6) inconsistency with the Covenant of the League of Nations, and (7) incompatibility with China's sovereignty and her right of self-preservation and self-development.

So far as I am concerned it seems to me that the first of these reasons is enough. We do not need to state the others. The treaties were never ratified by the legislative branch of the Chinese Government.

Mr. Wood outlines in detail two other bases, each of which it seems to me are sufficient to prove his contention that the two treaties of 1915 were void.

Mr. President, I speak of treaties not for the purpose of citing them as treaties, but simply for the purpose of pointing out the 21 demands which were made, and the fact that in 1915 Japan was attempting by the 21 demands to obtain complete and absolute control over China and destroy the administrative and territorial integrity of China.

That is not the only evidence which has been given of that attitude upon the part of the Japanese Government and Japanese officials. On July 25, 1927, the then Premier of Japan, Premier Tanaka, presented to the Japanese Emperor what was known as the Tanaka memorial, which was a statement made by the Premier of the attitude of the Government of Japan concerning its future policy with China. It is a lengthy document, and I am not going to

ask that it all be printed in the RECORD, because I do not think I should care to have the RECORD so encumbered, but I do desire to read a few excerpts from it. He said this:

In the future if we want to control China, we must first crush the United States just as in the past we had to fight in the Russo-Japanese War period. But in order to conquer China we must first conquer Manchuria and Mongolia. In order to conquer the world we must first conquer China. If we succeed in conquering China, the rest of the Asiatic countries and the South Sea countries will fear us and surrender to us. Then the world will realize that eastern Asia is ours and will not dare to violate our rights.

* * * * * * *

The Nine Power Treaty is entirely an expression of the spirit of commercial rivalry. It was the intention of England and America to crush our influence in China with their power of wealth.

BARON SHIDEHARA'S VIEWPOINT

Take that statement in connection with the statement I read a few moments ago from Baron Shidehara, who represented Japan at the Washington Conference, in which he said in glowing terms that Japan had no intention to destroy the territorial or administrative integrity of China, believed in the open-door policy, and readily acquiesced in the Nine Power Agreement. But in 1927 the Japanese Premier says:

The Nine Power Treaty is entirely an expression of the spirit of commercial rivalry. It was the intention of England and America to crush our influence in China with their power of wealth. The proposed reduction of armaments is nothing but a means to limit our military strength, making it impossible for us to conquer the vast territory of China.

* * * * * * *

A more dangerous factor is the fact that the people of China might some day wake up. Even during these years of internal strife they can still toil patiently and try to imitate and displace our goods so as to impair the development of our trade.

* * * * * * *

The way to gain actual rights in Manchuria and Mongolia is to use this region as a base and under the pretense of trade and commerce penetrate the rest of China. Armed by the rights already secured we shall seize the resources all over the country. Having China's entire resources at our disposal we shall proceed to conquer India, the archipelago of Asia Minor, central Asia, and even Europe.

Omitting a portion and coming down to what he says as to rights in Manchuria. I quote further:

As to the rights in Manchuria, we should take forceful steps on the basis of the 21 demands and secure the following in order to safeguard the enjoyment of the rights which we have acquired so far.

Then he outlines them.

Mr. VANDENBERG. Mr. President, may I ask the Senator if there is any reference to the Philippine Islands in this particular paper?

Mr. SCHWELLENBACH. There is no specific reference to the Philippine Islands, except the general statement that the Japanese intend to obtain control of all the area of the western Pacific.

Proceeding further with the quotation:

After a large number of our people have moved into outer and inner Mongolia, we shall then buy lands at one-tenth of their worth and begin to cultivate rice, where feasible, in order to relieve our shortage of food supply. Where the land is not suitable for rice cultivation we should develop it for cattle raising and horse breeding in order to replenish our military needs. The rest of the land could be devoted to the manufacture of canned goods which we may export to Europe and America.

* * * * * * *

From now on we must take military purposes as our object and build circuit lines to circle the heart of Manchuria and Mongolia in order that we may hamper China's military, political, and economic developments there on the one hand, and prevent the penetration of the Russian influence on the other. This is the key to our continental policy.

* * * * * * *

In our struggle against the political and economic influence of Soviet Russia we should drive China before us and direct the event from behind. Meanwhile, we should still secretly befriend Russia in order to hamper the growth of Chinese influence.

* * * * * * *

We should now demand from China the right of building all the important military railroads. When these railroads are completed, we shall pour our forces into north Manchuria as far as we can. When Soviet Russia intervenes, as they must, that is our opportunity for open conflict.

* * * * * * *

When life there is made miserable for the Chinese, they naturally will leave for places afar. There are other methods to bar the Chinese. Only if we try hard enough, no Chinese footprints will be found on Mongolian territory.

Then he goes on to say:

For the sake of self-preservation of giving warning to China and the rest of the world we must fight America sometime. The American Asiatic squadron stationed in the Philippines is but within a stone's throw from Tsushima and Senchima. If they send submarines to these quarters, our supply of foodstuffs and raw materials from Manchuria and Mongolia will be cut off entirely.

So far as I know, that is the only reference to the Philippines directly, and there he was not referring to the seizure of the Philippines except that they would ultimately have to fight America, and the first reason he gives is that the Philippines are so close.

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

Mr. SCHWELLENBACH. I yield.

Mr. LUNDEEN. The reference in this document, whoever wrote it——

Mr. SCHWELLENBACH. It was the Japanese Premier in the report made to his Emperor at the time he was the head of the Japanese Government, so far as there was a head outside the Emperor, outlining, in detail, the future plans for the expansion of Japan. It is known as the Tanaka Memorial.

Mr. LUNDEEN. I will say to the Senator that is somewhat reminiscent of articles we have read in prominent magazines about some "red" Napoleon conquering the earth, and also of the example of the great British Empire, on which the sun never sets, which now has 600,000,000 people under its flag, and one-fourth of the earth in its area. It is also somewhat reminiscent of the propaganda we heard during the World War that the Kaiser would conquer the earth, although he only had an area as large as Texas, and that now Hitler is going to conquer the world. Who is first on the list of world conquerors, and are we going to allow ourselves to be alarmed and become excited at every report that comes out about someone conquering the world?

NO INTENTION TO ALARM

Mr. SCHWELLENBACH. I want to say to the Senator that I am not presenting this matter with a view of alarming anybody. I think the Senator will agree that even my manner of presentation is not of an alarmist nature. My final thesis is, that we have a responsibility under the nine-power agreement which we should recognize. We have entered into a treaty. I present the statements in reference to Japanese ambitions solely for the purpose of attempting to prove—and I believe they do prove—Japan's intention in the present conflict of destroying the territorial and the administrative integrity of China. I do not present these matters on the basis of a scarehead to indicate any intention on the part of Japan to conquer the world, or that we, ourselves, need be frightened. I present them upon the basis that we have a legal and moral responsibility and if incidental to the statements in reference to Japan's intentions in China there also creep in other statements in reference to her intentions toward other parts of the world, I ask that they be considered merely as incidents which are necessary because they are there, and I have to read all the sentence and cannot leave out part of it.

Continuing on the question of the war aims of Japan, I wish to read from a book, written by Mr. William Henry Chamberlin, who was for many years the representative of the Christian Science Monitor in the Far East. The title of the book is "Japan Over Asia." I think those who are familiar with writings on the Far East will admit Mr. Chamberlin as being a recognized authority upon the problems there. He said this, on page 374 of this book:

Japan's war aims have not been stated with any great clarity by its statesmen, but they have been indicated by the activities of its soldiers. When hundreds of thousands of men have been mobilized and a sum almost equal to the whole year's budget has been appropriated within 2 months after the outbreak of hostilities, it is clear that no petty concessions will satisfy Japan's ambitions. Repudiations of territorial ambitions may be technically sincere, but they are meaningless, because political changes can be brought about through the creation of new puppet states on the model of Manchukuo.

There is strong reason to believe that Japan has three definite aspirations in China. The first is the creation of a regime in North China that will be entirely subservient to Japanese wishes. Along with a completely dependent Chinese administration in Peiping and Tientsin, a new Mongolian state, the frontiers of which are still indeterminate, seems to be taking shape. And Japan's ambitions are not restricted to the Peiping-Tientsin area. They include Shantung, where Japanese possess extensive economic interests, and Shansi, with its coal mines.

A Japanese-controlled North China, it is believed, will mean more cotton for the mills of Osaka and a new barrier to Soviet influence from the north. The coal of Shansi and the iron of Chahar are also important considerations; Japan's growing continental empire is expected to provide a large part of the raw-material base for the heavy industry indispensable to a first-class imperial power.

Japan's second aspiration is for a government in Nanking which will be only a little less subservient than the new regime in North China. A Japanese diplomat, Mr. Toshio Shiratori, formulated an idea that would certainly find approval in Japanese military circles when he recently advocated, in terms that would suggest either naivete or cynical irony, a complete Japanese military protectorate over China.

* * * * * * *

A third probable demand is for a change in the status of Shanghai, which has now twice been the scene of fierce fighting. A combination of the foreign and Chinese parts of Shanghai under a single administration with the status of a free city is an idea that finds favor in some Japanese circles. That Japanese influence in Shanghai will be immensely strengthened if the war turns out favorably may be taken for granted.

In short, "Japan over Asia" today has become a living reality, for which Japanese soldiers and sailors and airmen go to their deaths with traditional courage, with banzais for the Emperor on their lips, and for which the Japanese masses will have to pinch and scrape still more as the war bills fall due for payment.

Then he goes on to say—and while this does not directly work in with the point which I am now attempting to develop, it is of interest:

What are the chances that Japan will realize its bold stake on the oriental empire and bring all China, in one form or another, within the orbit of its political and economic influence?

This book was published in November 1937, which was shortly after the incident at the Marco Polo Bridge.

Japan will realize its bold stake in oriental empire, and bring all China in one form or another within the orbit of its political and economic influence. The time factor is, I believe, of vital, if not paramount, importance. If Japan can crush effective Chinese resistance within 6 months the military and political situation side of its venture will have succeeded, although the very broad question of whether Japan will have the surplus resources for effective economic exploitation will remain to be answered.

This was written in November 1937, and he says that they would have to win within 6 months in order to actually achieve victory.

On the other hand, if China after a year still has forces in the field. perhaps armed from Russia, Japan's ultimate victory is likely to prove a pyrrhic one. Financial and economic difficulties will multiply; stocks of gold and foreign exchange will run low; the country will be seriously weakened in the event of a clash with some power better armed than China.

July 1937 was a very fateful month in the history of Japan and China. It marked the beginning of what seems likely to be a decisive test of national power, a test which many people in both countries had foreseen and yet which had been postponed and evaded so often that optimists were beginning to believe that it might be escaped altogether. Every ounce of Japanese national strength has been mobilized to meet an emergency that has been steadily expanding in proportions ever since it started and that shows no signs of abating in the near future.

THE MATTER OF TIMING

Mr. President, I want for just a moment, because I think it is of interest in the general situation, to point to the timing of Japanese efforts with events in other parts of the world. I am not today presenting the far eastern problem from the point of view of its relationship with the European problem. However, we must recognize that it does have its relationship, that while Japan has not signed a military agreement with Italy and Germany, and cannot be considered certain to be a military ally in the event Italy and Germany should have a war against the other nations in Europe, nevertheless, there has been a certain synchronization of efforts which could not in each instance be coincidental, and I think it is of interest to consider that in connection with the timing.

It carries us clear back to the period during the World War. I pointed out the 21 demands which were made upon China by Japan, made in January and February 1915, made at a time when the rest of the world was occupied, and seriously occupied, with conditions in Europe. It was at that time that the Japanese made their demands and they attempted to keep them secret from the rest of the world. They attempted to keep their treaty, to which I referred a few moments ago, secret from the rest of the world. They did succeed in keeping their treaties with England and France secret until the time of Versailles.

Mr. KING. Mr. President——

The PRESIDING OFFICER (Mr. LUNDEEN in the chair). Does the Senator from Washington yield to the Senator from Utah?

Mr. SCHWELLENBACH. I yield.

Mr. KING. I think the Senator might go a little further in his statement as to the synchronization of the efforts between the countries in the axis. The axis, of course, started out with Berlin and Mussolini, but it has been extended, as is conceded, I think, by Hitler and by Mussolini—to embrace Japan, and we notice that whenever there is a little tension in the east which will distract the attention of France and Great Britain, Japan then makes a reconnaissance in the Orient. She seizes the Honan, then moves to southeast China, and then makes further invasions into Canton and the neighboring country. So that they synchronize their activities. Whenever there is a little lull in the Occident, there is a recrudescence of the Japanese movements in the Orient, and vice versa. I think, as I stated on the floor of the Senate months ago, that there has been an understanding, if not a treaty, between the three powers looking toward their aiding each other in the destruction of the democratic nations.

POST ACTIVITIES

Mr. SCHWELLENBACH. Mr. President, I intend to develop that a little more fully. I disagree to a certain extent with what the Senator from Utah has stated. I do not think it has been upon the basis of a lull in Europe; it has been during lull periods, it is true, but, nevertheless, it has been during periods when there were threats of further action in Europe that the activity in the Far East is undertaken.

Going into detail on that question, on September 8, 1931, Japanese troops guarding the South Manchurian Railway fired on a Chinese patrol alleged to have torn up some S. M. R. rails north of Mukden. Thus Japan, on a pretext, began the invasion of Manchuria 3 years after signing the Pact of Paris. This incident came at a time when the world was submerged in the greatest economic crisis yet experienced, and coincided almost to the day—September 21—when Great Britain suspended her gold payments. It also coincided with the great Chinese flood of 1931 which inundated approximately 8,000 square miles in North Kiangsu Province, east of the Grand Canal and north of the Yangtse River.

On January 18, 1932, Japan extended her attack on China to Shanghai under an equally flimsy excuse. Two Japanese were injured in a free-for-all fight in front of a Chinese factory in the Chinese area of Shanghai. There was also some rioting 3 days later. The final casualties were three Chinese injured, one dead; three Japanese injured, one dead. This incident coincided with disturbances in Spain which culminated in a general strike at Seville. It also coincided with the march here in Washington by the bonus army. I do not believe, however, there was any synchronization of those two movements. It also coincided with severe difficulties in India, during which Gandhi was arrested.

On January 10, 1933, the Japanese Army marched into the Province of Jehol, cutting it off from China and making it a part of Manchukuo. This move coincided with more severe riots in Spain. There were general strikes at Barcelona, Valencia, Cuenca, and Cadiz.

On November 26, 1936, Japan and Germany signed the Anti-Comintern Pact, to which Italy later adhered. This portentous event coincided with the period when the attention of practically the whole world was centered on the rebel attack on the city of Madrid.

On July 7, 1937, the Japanese troops, carrying out night maneuvers, exchanged shots with a Chinese military unit at

Marco Polo Bridge in Peking. This event, which was the beginning of the present conflict, coincided with meetings of the Nonintervention Committee on Spain. It also coincided with the further rebel attack on Madrid. July 7 was also the sixth day of the search for Amelia Earhart, lost in the Pacific Ocean. Also, at this time came the announcement of the British plan for the partition of Palestine.

On August 12, 1937, the undeclared war was extended to Shanghai. This event coincided with matters of extreme concern in Europe, principally the Anglo-Italian Pact negotiations. Subsequent events closely followed the developments of the war in Spain. The occupation of Nanking came on December 11, 1937, while the *Panay* was sunk the following day along with the destruction of three Standard Oil tankers. These two dates coincided with Mussolini's announcement in Rome of Italy's decision to withdraw from the League of Nations. In Soviet Russia the people voted by secret ballot for 1,143 candidates for election to membership in the Supreme Soviet.

The fighting in Siberia centering around Changkufeng, July 16 to August 28, 1938, was a preliminary diversion of attention from Hitler's demands on Czechoslovakia—Sudetenland absorbed October 3—and subsequent events during the following weeks served the same purpose. On October 13, Japanese troops landed in Bias Bay, entering Canton on October 21. On October 25 Hankow was occupied. This whole series of events both in Asia and in Europe not only served to divert the attention of the rest of the world, but also served to weaken the effectiveness of any moves which might have been made by the nations outside the Anti-Comintern Pact.

SEIZURE OF HAINAN

The seizure of Hainan came on February 9, 1939, at the time Hitler was in the process of taking over the whole of Czechoslovakia; also a few weeks later, on March 30, 1939, Japan extended her influence and control to the Spratly Islands in the South China Sea. This development coincided almost to the day with the surrender of Madrid.

Blockade of Tientsin in June and July of this year constituted a perfect diversion of attention from Hitler's demands on Danzig. The fighting around Lake Bor in Outer Mongolia served the purpose not only of diverting attention from Europe but also of discrediting Russia in relation to the possibility of an Anglo-Russian Pact, and also further diversion from attention to Hitler's demands on Danzig.

Mr. President, up to this time I have attempted to present two phases of this question: First, our responsibility toward China because of our relationship with the Chinese, and our treaty obligations to them; second, that Japan is in this war attempting to destroy the territorial and administrative integrity of China, in violation of the nine-power agreement.

I wish at this point to read the testimony of Dr. Judd on the question of the kind of war Japan is conducting in China. I read from his testimony at page 296:

> The disregard for all rules of carrying on warfare; the refusal to take prisoners; the inhuman treatment of wounded Chinese soldiers, prohibiting Chinese or foreign Red Cross units to minister to their wounds or even to give them food and water; the attacks on undefended civilians as the primary "military objectives"; the unceasing diabolical assaults on Chinese women as a military measure, ordered by the high command which knew China's love of home to be her single most vulnerable spot; the taking away of tens of thousands of Chinese children between the ages of 8 and 12, allegedly to be educated in Japan as Japanese; the systematic destruction of colleges and high schools to destroy China's scholarship and trained leadership which might conceivably be able to wear out and eventually assimilate China's present conquerors as it was able to absorb her previous conquerors; the forced growth and consumption by Chinese of opium and its more deadly derivative, heroin—all these I have seen personally, month in and month out, as the rule of Japanese conduct in China to which there is almost no exception. We used to say war was the worst of all evils in the world; but the wars we were talking about were, after all, "gentlemen's wars," mere child's play as compared to what is going on in China today. I think it is worth taking a few minutes at the outset to review these facts so we can have before us a picture of what it is we are helping along when we supply Japan with war materials; also, because this war is unquestionably a prototype of what all wars are going to be in the future (at least those waged by totalitarian states), if we allow situations to degenerate to the place where most people can see no other way out than by resorting to war. It is only as we face what the next war will surely be like that we can appreciate fully how imperative it is that we exert every effort to prevent its ever coming to us. That means trying in all proper ways to prevent its coming to anyone else either, for surely the only way we can be completely certain of keeping ourselves out of war is for there to be no war for us to get into.

AMERICA'S PARTICIPATION

Mr. President, turning to the question of what has been our participation and what is our participation in this war, there can be no question but that to a very material extent Japan is depending upon the United States for the materials which the Japanese are using in this war. We are participating in the Sino-Japanese War today. I know Senators have all read figures that we are furnishing 56 percent of the materials which might be used in the war, and I know that the Members of this Body were all shocked, knowing as they did of our treaty obligations and our relationship with China, to hear that we were furnishing 56 percent of the materials used in the war. But 56 percent is a deceptive figure, because in the matter of the most important articles the percentage we are furnishing is actually more than 56 percent. These are the figures as to some of the articles we are furnishing, figures compiled for the year 1938:

Petroleum and products, 65.57 percent.
Scrap or old iron and steel, 90.39 percent.
Ferro-alloys, 82.71 percent.
Other iron and steel semi-manufactures, 53.65 percent.
Copper, 90.89 percent.
Metals and alloys, not elsewhere specified in the list from which I am reading, 99.33 percent.
Automobiles and parts, 64.67 percent.
Metal-working machinery, 67.09 percent.
Aircraft and parts, 76.92 percent.

So that as to the very important materials, we are furnishing a much higher percentage than the 56 percent which is furnished by us on the average.

Mr. President, an interesting article appeared on June 27 of this year in the Christian Science Monitor, written by Saville R. Davis, a staff correspondent, giving the figures I have read and other figures, and giving a statement concerning our participation through the medium of the supplies which we are furnishing. I ask unanimous consent that the statement may be printed in the RECORD at this point.

The PRESIDING OFFICER. Is there objection?

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

[From the Christian Science Monitor of June 27, 1939]

UNITED STATES CHIEF ARMS PROVIDER TO JAPAN—DEMOCRATIC POWERS GIVE CHIEF AID TO CHINA'S ENEMY—AXIS NATIONS SUPPLY SMALL AMOUNT

(By Saville R. Davis)

WASHINGTON, June 27.—The United States is far and away the most important supplier of war materials to Japan, according to a broad and painstaking survey of world trade with that country made public by the Chinese Council for Economic Research here.

Figures were obtained by Hu Tun-yuan from official Government sources and show that the United States supplied 56 percent of all Japan's imports of the most strategic war materials in 1938—a slight increase over the year previous—as compared with only 20.7 percent supplied by the British Empire in second place, and the 8.6 percent from Netherlands India in third place.

The three nations, all interested in curbing Japanese aggression in China, controlled between them approximately 85 percent of Japan's foreign supply of these materials—a fact of prime importance in the event that economic restraining action should be attempted in future. While there are undoubtedly other sources for many of these materials, should these major suppliers adopt an embargo, the cost would be far greater and most of the commodities could not be found elsewhere in anything like the quantities needed by Japan.

FIGURES TELL STORY

The accompanying table speaks eloquently of the extent to which the United States has underwritten Japan's war on China—supplying in the past year 90 percent of the vital scrap or old iron and steel, 91 percent of the copper, 66 percent of oil and its products, 45 percent of the lead, 67 percent of the metal-working machinery, and so on.

Aircraft and parts come in a special category. In 1938, according to Dr. Hu's figures, the United States provided $17,454,000, or 77 percent, of the world supply to Japan. This trade has since almost dried up as a result of the voluntary boycott requested by Cordell Hull, Secretary of State, in May of last year. Substantial contracts in force previous to that time were supplied during the remainder of the years, but no new licenses for export have been issued by the State Department since November 1, 1938, and in 1939 the amounts actually shipped under old contracts amounted only to $250,000 during the 5 months up to June 1. Parenthetically, these are the State Department's figures and include only aircraft and parts considered to be for war purpose; today airplane exports to Japan as reported by the Department of Commerce were approximately $1,000,000 in May of this year and may include materials convertible to war purposes.

Another table prepared by Dr. Hu and too lengthy to reproduce here shows what amounts of all war supplies are furnished to Japan by the democratic powers, on the one hand, and by the axis powers on the other. Even a quick glance shows the overwhelming extent of control of the situation by the democratic powers. Their column shows one high percent after another, looking down the list of commodities in the 1937 and 1938 trade with Japan; while the column of percentages supplied by the axis contains one zero after another.

HOW TRADE ROSE

Only in the case of manufactured materials has the axis any significant share and even this is greatly outweighed by the supplies from the democratic powers which dominate these categories also. Only mercury should be mentioned as an exception, being entirely supplied from the axis side.

Another table shows the extent to which the war materials trade from the United States to Japan has increased between 1937 and 1938. In terms of quantity shipments gasoline and related fuels in containers more than doubled. Lead more than tripled. Aluminum went up 172 percent. Crude petroleum went up 35 percent. Significantly, also, a great many other items fell off, the most drastic of which was iron and steel scrap, which fell from 1,912,000 tons in 1937 to 1,382,000 tons last year. This was a decline of 29 percent in quantity and 44 percent in value. This was in line with a general curtailment of scrap from all sources which partly reflected the tightening of foreign exchange resources of Japan and partly reflected the taking over of the Lungyen iron-ore deposits in Chahar, China, which were opened up at the end of 1937.

Following are the salient figures with respect to the trade of Japan with the world as a whole:

The proportion of war material imports to all other imports rose from 29 percent in 1937 to 40 percent in 1938. War-material trade fell off only 3.4 percent, whereas total trade of all sorts fell off by 30 percent between these 2 years. "This reflects," says Dr. Hu, "Japan's policy of curtailing ordinary imports in favor of commodities that are necessary to the prosecution of war." In the case of cotton and wool for Japan's greatest nonmilitary export industry, the decline of imports was great, amounting to 49 percent for cotton and 69 percent for wool.

The total of world sales of essential war materials and articles to Japan amounted to $306,000,000 in 1938, while sales of all commodities (including war materials) amounted to $757,700,000.

HOW UNITED STATES AIDS JAPAN SHOWN

WASHINGTON, JUNE 27.

United States share in world exports to Japan essential for war purposes in 1938, as compiled from Government sources by the Chinese Council for Economic Research:

[Value in United States dollars]

Commodity	World exports, value	United States share, value	Percent
Total	$306,393,950	$171,574,167	56.00
Hides and skins	7,916,835	2,652,482	33.50
Leather	528,369	44,676	8.46
Scrap rubber	14,864,069	249,792	1.68
Petroleum and products [1]	81,034,885	53,135,672	65.57
Scrap or old iron and steel	24,407,089	22,061,212	90.39
Ferro-alloys	2,819,420	2,331,979	82.71
Other iron and steel semimanufactures	20,973,343	11,251,804	53.65
Copper	24,385,546	22,163,778	90.89
Aluminum	13,095,231	476,345	3.63
Nickel	6,624,440	157,317	2.38
Lead	4,613,888	2,100,054	45.52
Zinc	2,794,622	26,768	.96
Metals and alloys, not elsewhere specified	321,711	319,566	99.33
Automobiles, parts, etc. [1]	18,635,299	12,050,536	64.67
Metal-working machinery [1]	36,448,527	24,454,707	67.09
Internal combustion engines [1]	1,658,875	542,637	32.71
Aircraft and parts [2]	22,692,655	17,454,477	76.92
Arms and ammunition	696,186	100,365	14.42
All others [3]	21,882,960		

[1] Including shipments to Manchuria.
[2] Including shipments to Manchuria. United States figure for 1938 includes shipments to Shanghai.
[3] Includes ores, tin, antimony, mercury, mica, and asbestos.

Mr. SCHWELLENBACH. Mr. President, I also ask unanimous consent to have printed in the RECORD a table showing the value of the exports to Japan, especially for war purposes, from various countries, by commodity groups, for the years 1937 and 1938.

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

TABLE 1 (b).—*Value of exports to Japan essential for war purposes, from various countries, by commodity groups, 1938 compared with 1937*

[Value in United States dollars]

Commodity	1938		1937		Increase (+) or decrease (−)	
	Value	Percent of grand total	Value	Percent of grand total	Value	Percent
Grand total	306,393,950	100.00	317,209,688	100.00	−10,815,738	−3.40
Hides and skins	7,916,835	2.58	12,832,580	4.04	−4,915,745	−38.31
Leather	528,369	.17	2,562,460	.81	−2,034,091	−79.38
Total	8,445,204	2.75	15,935,040	4.85	−6,949,836	−45.14
Rubber	14,864,069	4.85	28,678,611	9.04	−13,814,542	−48.17
Petroleum and products	81,034,885	26.45	71,598,824	22.57	+9,436,061	+13.18
Ores (other than iron)	2,242,835	.73	2,332,950	.74	−90,115	−3.86
Iron ore	8,361,301	2.73	8,579,161	2.70	−217,860	−2.54
Ferro-alloys	2,819,420	.92	1,717,712	.54	+1,101,708	+64.14
Scrap or old iron and steel	24,407,089	7.97	44,752,546	14.11	−20,345,457	−45.46
Other iron and steel semimanufactures	20,973,343	6.84	49,218,217	15.52	−28,244,874	−57.39
Total	56,561,153	18.46	104,267,636	32.87	−47,706,483	−45.75
Copper	24,385,546	7.96	20,184,773	6.36	+4,200,773	+20.81
Aluminum	13,095,231	4.27	4,808,810	1.52	+8,286,421	+172.32
Tin	8,711,639	2.84	7,404,444	2.33	+1,309,195	+17.69
Nickel	6,624,440	2.16	5,740,697	1.81	+883,743	+15.39
Lead	4,613,888	1.51	7,708,198	2.43	−3,094,310	−40.14
Zinc	2,794,622	.91	4,967,672	1.57	−2,173,050	−43.74
Mercury	404,427	.14	264,613	.08	+139,814	+52.83
Antimony	32,501	.01	529,367	.17	−496,866	−93.86
Metals and alloys, not elsewhere specified	321,711	.10	158,406	.05	+163,305	+103.39
Total	60,984,005	19.90	51,764,980	16.32	+9,219,025	+17.81
Mica	793,110	.26	468,578	.15	+324,532	+69.26
Asbestos	1,337,147	.44	1,362,962	.43	−25,815	−1.89
Total	2,130,257	.70	1,831,540	.58	+298,717	+16.31
Automobiles, parts, and accessories	18,635,299	6.08	16,456,036	5.19	+2,179,263	+13.24
Metal-working machinery	36,448,527	11.90	17,578,766	5.54	+18,869,761	+107.34
Internal-combustion engines	1,658,875	.54	1,139,630	.36	+519,245	+45.56
Total	38,107,402	12.44	18,718,396	5.90	+19,389,006	+103.58
Aircraft and parts	22,692,655	7.41	3,538,757	1.11	+19,153,898	+541.26
Arms and ammunition	696,186	.23	2,626,918	.83	−1,930,732	−73.50
Total	23,388,841	7.64	6,165,675	1.94	+17,223,166	+279.34

Mr. SCHWELLENBACH. Mr. President, I now ask unanimous consent to have printed at this point in the RECORD a table showing the shares of individual countries in total exports to Japan essential for war purposes, 1938, compared with 1937. I wish to point out this upon this particular table, Mr. President, because it is of interest. I read the same figure a few minutes ago as being the total percentage of exports from the United States to Japan, being 56 percent. During 1938, while we were furnishing 56 percent, we who are not allied in any way with Japan, we whose people almost unanimously abhor the methods which Japan is using in this war, Germany who is looked upon as an ally of Japan, furnished 7.68 percent, and Italy only 0.46 percent.

In 1937 we exported to Japan 54.54 percent, Germany 3.05 percent, and Italy 0.10 percent.

The PRESIDING OFFICER. Without objection, the table will be printed in the RECORD.

The table is as follows:

TABLE 2 (a).—*Share of individual countries in total exports to Japan essential for war purposes, 1936 compared with 1937*

[Value in United States dollars]

Country	1938		1937	
	Value	Percent of total	Value	Percent of total
Total	306,393,950	100.00	317,209,688	100.00
United States of America	171,574,167	56.00	173,009,621	54.54
British Malay	28,274,857	9.23	31,802,374	10.03
Netherland India	26,417,420	8.62	29,648,992	9.35
Germany	23,522,500	7.68	9,679,486	3.05
Canada	18,375,282	6.00	16,025,057	5.05
British India	9,590,874	3.13	10,430,513	3.29
Australia	3,911,352	1.28	6,894,226	2.17
Switzerland	3,862,547	1.26	844,848	.27
Philippines	3,277,268	1.07	1,995,740	.63
United Kingdom	3,227,182	1.05	5,690,393	1.79
Sweden	2,000,000	.65	2,525,605	.80
Argentina	1,958,317	.64	1,690,443	.53
Norway	1,829,107	.60	1,384,879	.44
Italy	1,417,021	.46	325,427	.10
Belgium and Luxemburg	1,211,527	.39	5,380,016	1.70
China	1,017,217	.33	4,495,958	1.42
France	702,478	.23	2,141,012	.68
French Indo-China	515,909	.17	2,549,974	.80
Rumania	402,480	.13	421,280	.13
Poland	387,385	.13	586,423	.18
Ecuador	210,265	.07	191,657	.06
Czechoslovakia	191,088	.06	657,103	.21
Austria	134,951	.04	0	0
Hong Kong	134,260	.04	2,330,301	.73
Mexico	120,000	.04	0	0
Netherlands	54,459	.02	0	0
Union of Soviet Socialist Republics	0	0	0	0
Others [1]	2,074,037	.68	6,508,360	2.05

[1] Only those countries which export rubber, leather, and hides and skins to Japan, but which are not separately listed in table 3.

Mr. SCHWELLENBACH. Mr. President, I next ask to have inserted in the RECORD tables showing shares of various groups of countries in total exports to Japan essential for war purposes. It shows that the United States and the Philippine Islands in 1938 furnished 57.7 percent. The United Kingdom, British Malay, Canada, British India, and Australia furnished a total of 20.69 percent. The Netherlands and Netherland India furnished 8.64 percent. France and French Indochina furnished 0.40 percent. Germany, Italy, Czechoslovakia, and Austria furnished a total of 8.24 percent. In other words, it is the so-called democracies of the world which are furnishing these supplies to Japan to be used for the purpose of destroying the territorial integrity of China and using them in the way which I have described through the testimony of Dr. Judd.

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

TABLE 2 (b).—*Share of various groups of countries in total exports to Japan essential for war purposes*

[Value in United States dollars]

Country	1938		1937	
	Value	Percent of grand total	Value	Percent of grand total
Grand total	$306,393,950	100.00	$317,209,688	100.00
United States of America	171,574,167	56.00	173,009,621	54.54
Philippines	3,277,268	1.07	1,995,740	.63
Total	174,851,435	57.07	175,005,361	55.17
United Kingdom	3,227,182	1.05	5,690,393	1.79
British Malay	28,274,857	9.23	31,802,374	10.03
Canada	18,375,282	6.00	16,025,057	5.05
British India	9,590,874	3.13	10,430,513	3.29
Australia	3,911,352	1.28	6,894,226	2.17
Total	63,379,547	20.69	70,842,563	22.33
Netherlands	54,459	.02	0	0
Netherland India	26,417,420	8.62	29,648,992	9.35
Total	26,471,879	8.64	29,648,992	9.35
France	702,478	0.23	2,141,012	.68
French Indo-China	515,909	.17	2,549,974	.80
Total	1,218,387	.40	4,690,986	1.48
Germany	23,522,500	7.68	9,679,486	3.05
Italy	1,417,021	.46	325,427	.10
Czechoslovakia	191,088	.06	657,103	.21
Austria	134,951	.04	0	0
Total	25,265,560	8.24	10,662,016	3.36
Union of Soviet Socialist Republics	0	0	0	0
Switzerland	3,862,547	1.26	844,848	0.27
Sweden	2,000,000	.65	2,525,605	.80
Argentina	1,958,317	.64	1,690,443	.53
Norway	1,829,107	.60	1,384,879	.44
Belgium and Luxemburg	1,211,527	.39	5,380,016	1.70
China	1,017,217	.33	4,495,958	1.42
Rumania	402,480	.13	421,280	.13
Poland	387,385	.13	586,423	.18
Ecuador	210,265	.07	191,657	.06
Hong Kong [1]	134,260	.04	2,330,301	.73
Mexico	120,000	.04	Zero	Zero
Others [2]	2,074,037	.68	6,508,360	2.05
Total	15,207,142	4.96	26,359,770	8.31

[1] Hong Kong is not included in the British Empire group since it serves primarily as a transshipment point to China's southwest.
[2] See footnote, table 2 (a).

Mr. SCHWELLENBACH. Mr. President, I next ask unanimous consent to have printed in the RECORD another table showing the details of our shipments to Japan for the year 1938, compared with the year 1937. The table shows the United States exports to Japan essential for war purposes. In connection therewith I also wish to have printed in the RECORD a table showing United States exports to Kwatung, Manchuria, of essentials for war purposes, because the figures of both tables should be taken together.

The PRESIDING OFFICER. Without objection, it is so ordered.

The tables are as follows:

TABLE 4.—*United States exports to Japan essential for war purposes, 1938 compared with 1937* [1]

Commodity	1938		1937		Increase (+) or decrease (−)		Percent increase (+) or decrease (−)	
	Quantity	Value (dollars)	Quantity	Value (dollars)	Quantity	Value (dollars)	Quantity	Value
1	2	3	4	5	6	7	8	9
Hides and skins, raw ... pounds	24,501,850	2,652,482	15,526,653	2,690,983	+8,975,197	−38,501	+57.8	−1.4
Leather		44,676		702,942		−658,266		−93.6
Scrap rubber ... tons	6,533	249,792	4,524	171,362	+2,009	+78,367	+44.4	+45.7
Petroleum and products (1 barrel=42 gallons):								
Crude petroleum ... barrels	21,289,572	29,955,915	15,994,669	22,102,846	+5,294,903	+7,853,069	+33.1	+35.5
Gas and fuel oil ... do	5,297,464	6,675,464	6,308,194	7,139,225	−1,010,730	−463,761	−16.0	−6.5
Gasoline and other petroleum motor fuel in bulk ... do	501,356	1,929,054	915,392	2,427,333	−414,036	−498,279	−45.2	−20.5
Gasoline and other petroleum motor fuel in containers ... barrels	557,277	5,783,799	177,637	1,255,807	+379,640	+4,527,992	+213.7	+360.6
Lubricating oil ... do	288,722	2,614,236	444,405	5,518,074	−155,683	−2,903,838	−35.0	−52.6
Residual fuel oil ... do	3,029,586	2,532,365	4,044,999	3,631,890	−1,015,413	−1,099,525	−25.1	−30.3
Total, petroleum and products ... do	30,963,977	49,490,833	27,885,296	42,075,175	+3,078,681	+7,415,658	+11.0	+17.6
Iron and steel semimanufactures (1 ton=2,240 pounds):								
Iron and steel scrap [2] ... tons	1,381,801	22,061,212	1,911,508	39,385,832	−529,707	−17,324,620	−28.7	−44.0
Pig iron ... do	316,280	4,886,258	409,241	9,671,678	−92,961	−4,785,420	−22.7	−49.5
Steel ingots, blooms, billets, slabs, not containing alloy ... tons	91,461	3,084,566	204,562	8,754,439	−113,101	−5,669,873	−55.3	−64.8
Tinplate, taggers' tin and terneplate ... pounds	28,669,178	1,649,174	95,624,271	4,484,478	−66,955,093	−2,835,304	−70.0	−63.2
Iron and steel plates ... do	26,945,701	713,921	226,858,110	5,972,357	−199,912,409	−5,258,436	−88.1	−88.0
Wire rods ... do	24,052,087	551,021	68,012,210	1,554,490	−43,960,123	−1,003,469	−64.6	−64.6
Steel sheets, black ... do	3,393,324	366,864	30,965,752	2,238,878	−27,572,428	−1,872,014	−89.0	−83.6
Total, iron and steel semimanufactures		33,313,016		72,062,152		−38,749,136		−53.8
Ferro-alloys		2,331,979		1,366,062		+965,917		+70.7

[1] Compiled and computed from data obtained from the Division of Foreign Trade Statistics, Bureau of Foreign and Domestic Commerce, Department of Commerce Washington, D. C. Japan includes Taiwan and Chosen.
[2] Including tinplate scrap and waste-waste tinplate.

TABLE 4.—*United States exports to Japan essential for war purposes, 1938 compared with 1937*—Continued

Commodity	1938		1937		Increase (+) or decrease (−)		Percent increase (+) or decrease (−)	
	Quantity	Value (dollars)	Quantity	Value (dollars)	Quantity	Value (dollars)	Quantity	Value
1	2	3	4	5	6	7	8	9
Nonferrous metals:								
Copper:								
Refined copper in ingots, bars, or other forms ... pounds	217,879,738	21,813,071	145,688,923	17,997,004	+72,190,815	+3,816,067	+49.6	+21.2
Copper, old and scrap ... do	3,804,560	350,707	10,838,709	1,215,430	−7,034,149	−864,723	−64.9	−71.1
Total, copper ... do	221,684,298	22,163,778	156,527,632	19,212,434	+65,156,666	+2,951,344	+41.6	+15.4
Lead:								
Pig, bars, sheets, pipes, etc ... do	66,406,420	2,099,691	15,198,914	738,297	+51,207,506	+1,361,394	+336.9	+184.4
Solder ... do	1,300	363	113,432	16,061	−112,132	−15,698	−98.8	−97.7
Total, lead ... do	66,407,720	2,100,054	15,312,346	754,358	+51,095,374	+1,345,696	+333.7	+178.4
Aluminum:								
Bauxite concentrates ... ton	0	0	33	2,462	−33	−2,462	−100.0	−100.0
Ingots, slabs and alloys ... pound	1,458,554	203,238	1,469,410	248,777	−10,856	−45,539	−0.7	−18.3
Plates, sheets, bars, strips, and rods ... do	396,038	201,249	68,158	28,822	+327,880	+172,427	+481.0	+598.2
Tubes, moldings, castings, and other shapes ... pound	59,980	71,858	0	0	+59,980	+71,858		
Total, aluminum		476,345		280,061		+196,284		+70.1
Nickel: Nickel, monel metal, and alloys in ingots, bars, etc ... pound	375,471	157,317	432,664	218,638	−57,193	−61,321	−13.2	−28.0
Zinc:								
Ore concentrates and dross (zinc) ... do	169,232	2,093	471,446	8,736	−302,214	−6,643	−64.1	−76.0
Cast in slabs, plates, blocks, rolled in sheets, etc ... do	463,823	24,255	387,990	44,685	+75,833	−20,430	+19.5	−45.7
Dust ... do	6,000	420	6,000	576	Zero	−156	Zero	−27.1
Total zinc ... do	639,055	26,768	865,436	53,997	−226,381	−27,229	−26.2	−50.4
Other metals and alloys in primary forms		319,566		94,852		+224,714		+236.9
Total, nonferrous metals		25,243,828		20,614,340		+4,629,488		+22.4
Metal-working machinery		23,811,408		12,151,886		+11,659,522		+95.9
Internal combustion engines		412,536		433,535		−20,999		−4.8
Automobiles, parts and accessories:								
Passenger cars and chassis ... number	1,633	695,517	6,222	3,091,664	−4,589	−2,396,147	−73.8	−77.5
Motor trucks, busses, etc ... do	5,802	2,091,237	10,462	3,875,283	−4,660	−1,784,046	−44.5	−46.0
Automobile parts for assembly		3,624,222		3,541,058		+83,164		+2.3
Automobile engines ... number	7,809	959,461	11,114	1,067,786	−3,305	−108,325	−29.7	−10.1
Others		2,772,007		2,005,587		+766,420		+38.2
Total, automobiles, parts, and accessories		10,142,444		13,581,378		−3,438,934		−25.3
Arms, ammunition, and implements of war:								
Aircraft and parts		11,062,477		2,483,946		+8,578,531		+345.4
Arms and ammunition		100,365		49,038		+51,327		+4.7
Total, arms, ammunition, and implements of war		11,162,842		2,532,984		+8,629,858		+340.7
Grand total		158,855,836		168,382,799		−9,527,026		−5.6

TABLE 4 (a).—*United States exports to Kwantung, Manchuria, essential for war purposes, 1938 compared with 1937* [1]

Commodity	1938		1937		Increase (+) or decrease (−)		Percent increase (+) or decrease (−)	
	Quantity	Value (dollars)	Quantity	Value (dollars)	Quantity	Value (dollars)	Quantity	Value
1	2	3	4	5	6	7	8	9
Petroleum and products (1 barrel=42 gallons):								
Crude petroleum ... barrels	916,863	1,372,462	673,003	974,002	+243,860	+398,460	+36.2	+40.9
Gasoline and other petroleum motor fuel in bulk ... barrels	604,035	1,526,816	373,537	1,032,284	+230,498	+494,532	+61.7	+47.9
Gasoline and other petroleum motor fuel in containers ... barrels	33,062	200,282	12,619	99,600	+20,443	+100,682	+162.0	+101.1
Gas and fuel oil ... do			276,693	424,796	−276,693	−424,796	−100.0	−100.0
Lubricating oil ... do	54,469	545,279	25,913	294,629	+28,556	+250,650	+110.2	+85.1
Total, petroleum and products ... do	1,608,429	3,644,839	1,361,765	2,825,311	+246,664	+819,528	+18.1	+29.0
Iron and steel semimanufactures:								
Iron and steel plates, not fabricated, not containing alloy ... pound	61,829,313	1,278,905	68,414,210	1,720,850	−6,584,897	−441,945	−9.6	−25.7
Tinplate and taggers' tin ... do	2,845,586	144,992	42,104,043	2,110,613	−39,258,457	−1,965,621	−93.2	−93.1
Steel bars, not containing alloy ... do	36,931,003	830,121	18,255,899	548,236	+18,675,104	+281,885	+102.3	+51.4
Steel sheets, black (ungalvanized) not containing alloy ... pound	4,805,571	112,994	2,171,299	52,949	+2,634,272	+60,045	+121.3	+113.4
Iron bars ... do	712,034	19,373			+712,034	+19,373		
Total, iron and steel semimanufactures		2,386,385		4,432,648		−2,046,263		
Ferro-alloys		14,880				14,880		
Refined copper, ingots, bars, etc ... pounds	5,545,330	589,249	972,627	125,445	+4,572,703	+463,804	+470.1	+369.7
Lead ... do	628,556	21,274	112,066	5,720	+516,490	+15,554	+460.9	+271.9
Aluminum ... do	16,508	19,513	3,276	478	+13,232	+19,035	+403.9	+3,982.2
Automobiles, including parts and accessories		1,908,092		1,624,853		+283,239		+17.4
Metal-working machinery		643,299		71,638		+571,661		+798.0
Internal-combustion engines		130,101		105,020		+25,081		+23.9
Arms and ammunition		25		2,073		−2,048		−98.8
Grand total		9,357,657		9,193,186		+164,471		+1.8

[1] Compiled and computed from data obtained from the Division of Foreign Trade Statistics, Bureau of Foreign and Domestic Commerce, Department of Commerce, Washington, D. C.

Mr. SCHWELLENBACH. I also ask to have printed in the RECORD at this point a table showing our share in world exports to Japan essential for war purposes.

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

TABLE 6.—*United States share in world exports to Japan essential for war purposes*

[Value in United States dollars]

Commodity	1938			1937		
	World exports (value)	United States share		World exports (value)	United States share	
		Value	Percent		Value	Percent
Total	306,393,950	171,574,167	56.00	317,209,688	173,009,621	54.54
Hides and skins	7,916,835	2,652,482	33.50	12,832,580	2,690,983	20.97
Leather	528,369	44,676	8.46	2,562,460	702,942	27.43
Rubber	14,864,069	249,792	1.68	28,678,611	171,362	.60
Petroleum and products[1]	81,034,885	53,135,672	65.57	71,598,824	44,900,486	62.71
Scrap or old iron and steel	24,407,089	22,061,212	90.39	44,752,546	39,385,832	88.01
Ferro alloys	2,819,420	2,331,979	82.71	1,717,712	1,366,062	79.53
Other iron and steel semimanufactures	20,973,343	11,251,804	53.65	49,218,217	32,676,320	66.39
Copper	24,385,546	22,163,778	90.89	20,184,773	19,212,434	95.18
Aluminum	13,095,231	476,345	3.63	4,808,810	280,061	5.82
Nickel	6,624,440	157,317	2.38	5,740,697	218,638	3.81
Lead	4,613,888	2,100,054	45.52	7,708,198	754,378	9.79
Zinc	2,794,622	26,768	.96	4,967,672	53,997	1.09
Metals and alloys, not elsewhere specified	321,711	319,566	99.33	158,406	94,852	59.88
Automobiles, parts and accessories[1]	18,635,209	12,050,536	64.67	16,456,036	15,206,231	92.41
Metal-working machinery[1]	36,448,527	24,454,707	67.09	17,578,766	12,223,524	69.53
Internal-combustion engines[1]	1,658,875	542,637	32.71	1,139,630	538,555	47.26
Aircraft and parts[2]	22,692,655	17,454,477	76.92	3,538,757	2,483,946	70.19
Arms and ammunition	696,186	100,365	14.42	2,626,918	49,038	1.87
All others[3]	21,882,960	None	None	20,940,075	None	None

[1] Including shipments to Manchuria.
[2] Including shipments to Manchuria. United States figure for 1938 includes shipments to Shanghai.
[3] Including ores, tin, antimony, mercury, mica, and asbestos.

Mr. SCHWELLENBACH. I also ask to have inserted in the RECORD a table showing the percentage contribution of democratic countries having interest in the Far East—group I—and of axis powers—group II—to various materials shipped to Japan.

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

TABLE 7.—*Percentage contribution of democratic countries having interests in Far East (group I) and of axis powers (group II) to various war materials shipped to Japan*[1]

Commodity	1938, percent of total		1937, percent of total	
	Group I	Group II	Group I	Group II
Hides and skins	48.72	0	43.50	0
Leather	68.89	9.37	70.68	10.50
Rubber	95.06	0	88.26	0
Petroleum and products	99.09	0	99.14	0
Ores (iron, manganese, etc.)	99.21	0	90.54	.04
Scrap or old iron and steel	99.23	0	97.73	0
Ferroalloys	90.45	.70	81.66	0
Other iron and steel semimanufactures	88.76	.91	84.68	1.65
Copper	99.95	0	98.73	0.23
Aluminum	49.60	16.22	77.64	5.22
Tin	99.14	0	83.59	0
Nickel	100.00	0	89.33	0
Lead	99.86	0	99.50	0
Zinc	71.85	1.52	74.96	.33
Antimony	0	0	0	0
Mercury	0	100.00	0	100.00
Metals and alloys, n. e. s.	99.33	0	59.88	0
Mica	100.00	0	100.00	0
Asbestos	100.00	0	100.00	0
Automobiles, parts and accessories	64.80	35.20	93.46	6.54
Metal-working machinery	71.25	26.61	73.95	21.88
Internal-combustion engines	32.71	40.94	47.26	47.52
Aircraft and parts	77.03	22.97	71.64	28.36
Arms and ammunition	14.42	40.96	1.87	96.39

[1] Group I includes (1) United States and Philippines; (2) British Empire—United Kingdom, British Malaya, Canada, British India, and Australia; (3) Netherlands and Netherland India; (4) France and French Indochina. Group II includes Germany and Italy, as well as Austria and Czecho-Slovakia.

PROFITS IN WAR

Mr. SCHWELLENBACH. Mr. President, there can be no question in anyone's mind that we are actively participating in the war which Japan is conducting in China. As a matter of fact I do not know but the position of the Japanese might be considered a little more honorable than ours. They at least are sending out their men who are taking a chance on being killed. We do not take any chances on our lives in that war. All we do is to send our goods and materials over there that they use for military purposes and we get the profit out of it.

Mr. President, there has been much discussion in the Congress during the last 5 or 6 years about the question of profits in war. There has been and is a very sincere desire upon the part of the Congress, if it is possible, to work out legislation by which to prevent profits to accrue to our citizens from war, if we should be so unfortunate as to get into one. But certainly we cannot justify that sort of a position so long as we are actively furnishing to a nation in the world the supplies and the materials from which her munitions are manufactured for the purpose of destroying another nation, when we ourselves are obligated under the terms of a treaty to respect the territorial integrity of that nation.

What difference is there so far as international morality is concerned between furnishing the soldiers to shoot the bullets and providing the material with which the bullets are made? What difference is there so far as international morality is concerned between furnishing the driver of the truck or furnishing the truck and the gasoline that goes to operate that truck? What difference so far as international morality is concerned between furnishing the pilots who operate the airplane and the men in that airplane who pull the gadgets that let the bomb go down to destroy the lives of the people in the community and the nation that furnishes the gasoline which propels that airplane?

We have taken a high and lofty position in world affairs. We have told the nations of the world that we insist upon respect for treaties. We tell the nations of the world that our hands are clean and that we are "holier than anybody else." We claim the right to pick and choose our friends, because some of them violate treaties and others do not.

In our actions in reference to Japan and by our violation of the Nine Power Pact, we become just as flagrant a violator of international agreements as any other nation in the world. And it does not speak very well for us to be casting reflection upon other nations when we, just because we can make some money out of it, just because we can make the profits out of it, proceed to furnish, I think, probably 70 percent—I have not attempted to segregate these figures, but, as I pointed out, it is 56 percent of the total amount, and I think 70 percent of the really essential material that Japan is using in the transaction of this war.

What is the attitude of our people on this subject, Mr. President? I introduced this resolution to which I referred some weeks ago. Since I have been in the Congress I have never seen such a favorable response. And I was not surprised a couple of weeks ago in reading the Gallup poll, the last poll, which was printed on July 23, to find what the replies were. The question was submitted to people throughout the country:

How far do you think United States Government should go to protect American interests in China?

This was not the question I am presenting. I said at the outset that I did not present this problem from the point of view of protecting American interests in China at all. I presented it from the point of view of our responsibility and our obligation as a nation under a treaty into which we have entered.

But the question was presented upon a basis which, to my mind, would receive much more unfavorable response than the question as I presented it. They asked:

How far do you think we should go? What should we do?
1. Fight Japan?
2. Protest to Japan?
3. Stop shipments of war materials?
4. Do nothing?

The answers were, 4 percent of the people wanted to fight, 18 percent wanted to protest, 51 percent wanted to stop shipments, and only 25 percent wanted to do nothing.

In other words, basing their answers upon what it seems to me should be a much less popular question than the one I would suggest, 75 percent of the people who were queried, answered that we should take some sort of action, and the majority of them answered that we should stop our shipment of goods, 4 percent, saying that we actually should go over there to fight.

Mr. President, I ask unanimous consent to have inserted in the RECORD at this point that particular portion of the article which refers to the Gallup poll in the United States, upon that question. I do not ask that the part with reference to the English poll be included.

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

VOTERS FAVOR EMBARGO ON WAR MARERIALS TO JAPAN, POLL SHOWS

AMERICAN VOTERS FEEL THEIR GOVERNMENT SHOULD PROTECT INTERESTS IN CHINA BY TAKING ACTION

(By Dr. George Gallup, Director, American Institute of Public Opinion.)

PRINCETON, N. J., July 22.—As the war between Japan and China enters its third year, majority sentiment in the United States, as indicated in a survey by the American Institute of Public Opinion, favors taking positive action to protect American interests in China.

Only one-fourth of the voters in the survey think the United States Government should "do nothing" about China. The remaining three-fourths favor three definite courses of action. One group—a small one—thinks the United States should fight Japan. A second slightly larger group is content to have the State Department merely lodge protests with the Japanese Government whenever American interests in China appear to be molested. A third group, the largest numerically, believes that the proper course of action is to stop all shipments of American arms and war material to the Japanese forces.

The survey was conducted among a cross-section of voters in every State on the question: "How far do you think the United States Government should go to protect American interests in China?"

Voters were given their choice of four policies which the Government might follow. Should the United States, they were asked:

1. Fight Japan?
2. Protest to Japan through the State Department?
3. Stop all shipments of war materials from this country to Japan?
4. Do nothing?

The vote was as follows:

	Percent
Fight	6
Protest	18
Stop shipments	51
Do nothing	25

VOTERS IN FAR WEST STRONGEST FOR ACTION

The American survey revealed a number of interesting differences of opinion by geographical sections. The far West, which includes the Rocky Mountain and Pacific Coast States, is the section most in favor of taking action to protect American interests in China. The vote in favor of "doing nothing" was lower in the far West than anywhere else in the country, perhaps because that area is geographically the closest to Japan and most affected by events in the Pacific.

The vote by sections:

	Fight	Stop shipments	Protest	Do nothing
	Percent	*Percent*	*Percent*	*Percent*
New England	7	44	15	34
Middle Atlantic	4	49	20	27
East Central	4	50	17	28
West Central	7	46	18	29
South	11	50	18	21
Far West	9	61	15	15

AVERAGE CITIZEN EXPLAINS ATTITUDE

In explaining their attitude toward Japan voters in the American survey gave a wide variety of reasons for favoring action. Those who favor the most extreme course—fighting Japan—declared that the United States "will have to fight Japan sooner or later" and that we should help "stop the gangster nations."

Those who favor an embargo on war materials to Japan echoed the sentiment of one voter, a housewife in Troy, N. Y., who said:

"If we don't believe in war, why do we furnish the materials of war?"

Others argued that since Japan "cannot fight without supplies" the quickest way to clear up the issue of American rights in China would be to stop shipment of war materials to Japan.

In the group who favor an embargo or merely a series of protests through the State Department were many who took the view that the American people should not be expected to fight for the protection of purely commercial interests in China. As one voter put it:

"Why should we go to war to protect a few industrialists over there? The businessmen—and the missionaries—should remain there at their own risk."

WHAT AMERICANS SAY

Following are the results of a national survey of public opinion on the issue of what the United States should do to protect her interests in China:

"How far do you think the United States Government should go to protect American interests in China?"

	Percent
(a) Fight Japan	6
(b) Protest to Japan through the State Department	18
(c) Stop all shipments of war materials from this country to Japan	51
(d) Do nothing	25

Mr. SCHWELLENBACH. At this point in my remarks I wish to have printed in the RECORD a number of excerpts from newspaper editorials from every part of the country showing the attitude of the newspaper editors upon this question.

There being no objection, the editorials were ordered to be printed in the RECORD, as follows:

[From the New York Times of July 7, 1939]

It is with shame that most Americans learn that American metals and other war goods have been available to Japan during these last 24 horrible months.

[From the Christian Science Monitor of June 30, 1939]

Relations with Japan have one very curious aspect. The United States supplies most of the raw materials with which Japan makes armaments, with which she orders United States ships out of Chinese harbors. It's just like kicking oneself.

[From the Strasburg (Va.) North Virginia Daily of November 10, 1938]

We seem to have sold our birthright of trans-Pacific trade for a mass of munitions money.

[From the Conneaut (Ohio) News Herald of November 10, 1938]

Thus we lose the incalculable opportunities for the future that could have been expected from a revitalized, modernized China leagued with us in friendly trade. And we lose it largely by our own short-sightedness in selling to Japan most of the gasoline, steel, and other materials with which she has won her undeclared war. For transient millions we have given future billions.

[From the Alliance (Ohio) Review of November 8, 1938]

The most recent protest by the State Department against Japanese interference with American trade with China contained a veiled hint of possible retaliation.

A large part of our export trade to Japan since the beginning of its undeclared war on China has been in materials essential to the conduct of war and the supply of which Japan would hardly like to see cut off.

[From the Jamestown (N. Y.) Post of December 12, 1938]

We cannot afford longer to be a party to Japan's ruthless murder of civilian men, women, and children.

[From the Oswego (N. Y.) Semiweekly Times of January 6, 1939]

It is a situation which fills increasing numbers of Americans with deep concern and shame. We are, in effect, fighting with Japan against China although the overwhelming sympathies of our people are on the other side. Japan by herself alone, without these exports, could not possibly prosecute the war.

[From the Washington (D. C.) Post of January 5, 1939]

It is the overwhelming sentiment of the American people that military action against Japan must be ruled out.

Specifically, an embargo on Japanese goods might be imposed and, if it is necessary to go further, the United States might, through Congress, place an embargo on all exports to Japan.

[From the Athens (Ga.) Herald of January 12, 1939]

We hope that Congress will no longer delay its action in prohibiting the shipment of such large quantities of scrap iron, especially to unfriendly nations.

[From the Washington Star of January 10, 1939]

If it is right to withhold aircraft and bombs from Japan, why not scrap iron, which is so essential to the production of munitions?

[From the Christian Science Monitor of November 8, 1938]

Nevertheless, Americans in general feel some shame that their munitions have played a large part in the assault on China. Something can be done about this. Congress' first job should be to empower the President to stop this traffic to Japan.

[From the Birmingham (Ala.) News of December 21, 1938]

We lose little by risking Japan's resentment, since Japan has no plans that would benefit us anyway.

[From the Indianapolis (Ind.) Star of April 23, 1939; the Auburn (Ind.) Courier of May 2, 1939; and the Muncie (Ind.) Star of April 25, 1939]

There is almost complete national unity in sentiment regarding the shipment of munitions and war-making materials to Japan. The country may be divided on the neutrality issue. It resents deeply, however, the continued flow of supplies to the Japanese and deplores the failure of our Government to place an embargo on such shipments.

It may be true that other sources of supply might be available, although there is no other country with such resources open to export. Japan's anti-Communist allies can spare little. Russia is not aiding a prospective enemy and the democracies of Europe are conserving their supplies. America remains as a major aid to the Japanese in their conquest. If right and justice are joined with sentiment, an embargo should be placed on war materials to nations which obviously are aggressor or have violated treaties to respect territorial integrity of neighbors. Japan stands indicted on both of these counts.

[From the Cleveland (Ohio) Plain Dealer of November 20, 1938]

Japan will be only too glad to receive financing from the Occident to develop China. It now appears that the next step will be for western nations—particularly the United States and Britain—to decide whether they will finance Japan in explaining the fruits of her undeclared war. To do so would be to make permanent their own exclusion from the Asiatic commodity market.

[From the New York Post of June 22]

In this connection let us remember that the United States supplies Japan with more than 50 percent of her munitions, much of her oil, and with close to a million tons of scrap iron and steel annually. If Japan flouts a treaty she has signed, we are certainly under no obligation to sell her munitions, oil, or metal. We can embargo.

We think an embargo on all munitions and metal to Japan is the way. It won't bring war; the embargo alone draws Japan's sting. It might lead to a reintegration of world relations. Surely each nation has the same obligation to act lawfully against disregard of its rights, as has each citizen in a democracy to act against willful disregard of his rights.

[From the Alton (Ill.) Telegraph of April 19, 1939]

There can be no condoning the shipping of scrap iron and other war necessaries to Japan when it is being used for imperialistic exploitation of China.

America's interest in stopping Japan is that soon or late Japan will be stepping into the Philippines, maybe using our own war materials to enforce seizure of the islands.

[From the Alliance (Ohio) Review of June 26, 1939]

The spectacle of congressional confusion on foreign policy encourages Japan.

It happens that Japan is extremely vulnerable to the kind of nonmilitary pressure which the United States could easily apply against her. More than half of all the strategic raw materials that Japan needs for the conduct of the undeclared war on China comes from the United States.

The Japanese do not underestimate the strength and importance of the United States. That is left for overtimerous Members of Congress.

[From the Detroit (Mich.) Evening News of March 12, 1939]

We in America, however, need nothing but determination to stop us from helping Japan conquer China. Our denunciation of the dictators and pressure for the open door would come with better grace from a nation that was not supplying Japan with a large share of raw materials, without which her chances of whipping China would dwindle considerably.

[From the Seattle (Wash.) Post Intelligencer of March 24, 1939]

Japan's warfare against China already has injured Pacific coast business severely.

It is daily growing more evident that one phase of the business that still exists—the shipment of scrap iron for replenishment of Japanese armaments—is repugnant to the conscience of our people.

Insistence upon continuance of this traffic holds a menace far outweighing the possible monetary profits.

It is time that this viewpoint should be expressed at Washington by members of the Pacific coast congressional delegations, with the full support of their constituents.

The only practicable solution is to embargo scrap iron.

[From the Baltimore (Md.) Morning Sun of March 12, 1939]

Nobody, surely not China, is asking us to send an army to rescue China or even to take a long-shot chance of becoming involved in a war. But it does not seem unreasonable to withdraw from our partnership with Japan, which we cannot do until we recover from the Nye notion that the United States of America must continue a foreign policy consisting in raising the hands in holy horror over the conduct of "both sides" while we supply copper and trucks and chemicals to the side whose triumph is rightly feared by our diplomats and our people.

[From the Richmond (Va.) Times-Dispatch of February 11, 1939]

The results of our present policy are painfully clear. The story of how we fueled Japan's war machine during the conquest of coastal China has been told before. Most of Japan's steel shortage is made up by United States shipments. All of its special steel alloys come from this country. We supply over 90 percent of Japan's oil, copper, and scrap imports. Its 1938 scrap purchases, thanks to 500,000 tons bought after Canton fell, closely approximate the 1937 record of 2,000,000 tons. Its copper buying in 10 months of 1938 exceeded that for all 1937.

[From the Burlington (Vt.) Free Press of February 14, 1939]

Burlington is getting organized to join in the growing movement throughout the country to stop shipments of war materials to Japan, and to stop the purchase of Japanese goods which are playing a large part in financing the Japanese invasion of China.

It is stated on the authority of figures assembled by the Department of Commerce that 90 percent of the automobiles and trucks used by the Japanese were imported from the United States. Statistics gathered by competent authority show that 54 percent of all Japanese war materials were imported from the United States.

[From the Elkhart (Ind.) Truth of February 9, 1939]

Sympathizing with the Chinese as they do, most Americans do not realize that it is conservatively estimated that the United States has contributed $300,000,000 or more of war materials to Japan for its murderous assault on China.

While of late our State Department has discouraged the sale of airplanes to Japan, scrap iron, cotton, and other materials have been going to that country in large quantities.

[From the Roanoke (Va.) World of February 23, 1939]

During the past 5 years, 12,000,000 tons of scrap iron have been exported from the United States, of which Japan has taken 7,500,000 tons, or nearly two-thirds. Without that metal, it is asserted, Japan could not have conducted its war of destruction in China. At the very time we are arming against Japanese aggression, constructing new battleships and discussing new naval bases, we are supplying Japan with one of the most essential elements of war making, an element in which Japan is most deficient. The exportation of scrap is still going on. Large fortunes have been made in America by reason of the world market for scrap. And each cargo of scrap metal shipped from our shores has drawn just that much away from the supply necessary for our own defense.

[From the Washington Post of February 23, 1939]

Had we refused to supply Japan with a virtually unlimited amount of scrap metal, it is almost certain that that country could not have prosecuted its ruthless campaign in China. We have, under the cloak of neutrality, not only made it possible for "our next probable enemy" to obtain essential materials for war against one of our friends but have at the same time cut seriously into our own supply of materials that would be urgently needed if we were confronted with a sudden emergency. We have been guilty of a tragic inconsistency in this matter—as we have in the matter of supplying Japan with other munitions—bitterly deploring Japanese savagery in China while permitting the aggressor without interruption to draw upon us for the materials which have made that aggression possible.

[From the Springfield (Ohio) News of February 14, 1939]

Twelve million tons of scrap iron have been exported from the United States in the last 5 years. Seven and a half million of these tons have gone to Japan. Japan has bled China with the scrap iron which we supplied.

In return for our iron Japan sent us mostly silk and shipped us some gold.

The silk wore out. The gold was buried in the Kentucky hills. The scrap iron was lost forever to the United States. It was shot away in Japan's war.

The transaction stands a total loss, the ruin of China being the deepest item in the "red."

[From the La Porte (Ind.) Herald of February 18, 1939]

Another voice has been raised against the shipment of scrap iron from our shores to Japan where it is eagerly sought to help carry on the conquest in China. Most of the cries of protest have come from individuals whose humanitarian feelings revolted against having the United States in the role of aider and abettor of war, of profiting in human blood and suffering. The statistics show

that our sale of scrap iron to Japan grew by leaps and bounds after the conquest of China began. The Japanese needed the metal for carrying on the war, being short on iron and steel of all kinds. The new voice who protests against our continued shipping of scrap metal to Japan or any place is Emory E. Smith, dollar-a-year Commissioner for the War Industries Board. The wholesale exporting of scrap iron is weakening our own position, he claims, until in case we should become involved in any war the shortage of scrap iron might tell the story against us.

[From the Sioux City (Iowa) Journal of March 9, 1939]

It is common sense to say that embargoes on goods to Japan and a free flow of goods to China would have protected American interests in the Far East through making the Tokyo Government aggressive campaign against the Chinese more difficult. So the Neutrality Act operated not only against China's interests but against our own.

[From the Albion (Mich.) Recorder of February 20, 1939]

We are now selling Japan more than 54 percent of the military supplies and munitions that enable her to carry on the aggression against China, and that without our help Japan could not continue. Some of these same munitions of American origin are even causing death and suffering to Americans in Chinese territory and damage to American property. At the same time, our Government is building up a vast military and naval machine to combat the very Japanese threat to supremacy in the Pacific it is aiding by allowing export of military supplies to Japan. There's something decidedly wrong in this picture.

[From the Athens (Ga.) Herald of March 8, 1939]

Congress should enact a law placing an embargo on the sale of scrap iron to foreign countries. It is a well-known fact that practically all of these nations making potential purchases are engaged in war or are preparing for fortifying themselves against attacks or defense for self-preservation.

While, of course, the American people are desirous of making every dollar they can by sales of all kinds of products, the sale of scrap iron is entirely different from the sale of commercial products to these countries.

[From the Morgantown (W. Va.) Dominion of March 9, 1939]

Italy, Japan, and Germany have been the big purchasers of scrap iron, the basic material for war munitions. Some exports claim that had we refused to sell scrap iron to the three nations named there would have been no war in China, no threat of war in Europe, because the nations mentioned could not have afforded to provide their war materials from metals available only from ores found in their own territories.

[From the Fort Worth (Tex.) Star-Telegram of March 14, 1939]

The nonofficial position that the United States has actually held toward nations at war in recent years has been both ridiculous and hypocritical. Lip service has been given to "righteous causes" in the Orient and in Europe, while American trade has poured millions of tons of iron and steel into Japan, Germany, and Italy. Other materials and supplies essential to the conduct of war has been furnished aggressors openly regarded as potential enemies of this country. The attitude is the same as that of the individual who professes loyalty to ideals which he ignores in the so-called necessities of daily living.

[From the Kansas City (Mo.) Times of March 10, 1939]

But the situation remained unhappy because there was no way of preventing Japan from buying essential war materials in this country and taking them home, while it was almost impossible for China to do this. America thus has seen Chinese cities bombed with airplanes driven by American gasoline and Chinese soldiers and civilians shot down with arms and munitions manufactured from American scrap iron.

Here has been a dramatic illustration of the impossibility of framing rigid legislation to apply to American relations with a rapidly changing world.

[From the Winchester (Va.) Star of January 27, 1939]

Worst of all, citizens of the United States are aiding Japan to destroy China. While Americans condemn the Japanese outrages in China and its cruelties to helpless civilians, as well as the insolent attitude of Japan toward us, we go ahead, for dollars, supplying that nation with the sinews of war—scrap iron, oil, steel, trucks—all more necessary to her than manufactured munitions.

While we spend billions of dollars for armaments to protect us against the threats of such nations as Germany and Japan, we ship them supplies with which they can carry out their ambitions and menace our own security. This does not make sense.

We have not only the moral duty to stop this but the legal right, since Japan is warring upon China in violation of a solemn treaty of peace, of which the United States is a party.

[From the Salt Lake City (Utah) Deseret News of February 24, 1939]

The American people from the beginning of the Japanese invasion of China should have demanded with united voice that America should not be a sharer in Japan's war guilt. Aiding Japan to conquer China does not make sense, neither does it make right or justice. It violates the moral sense of the American people.

[From the Atlanta (Ga.) Journal of January 26, 1939]

It is sheer folly for American factories to supply Japan with a large part of the munitions for her savage attack on China's independence.

[From the Washington (N. C.) Progress of January 25, 1939]

Millions of people in this country have not been able to reconcile the well nigh universal abhorrence of Japanese ruthlessness in China with the almost complete freedom with which Japan has continued to purchase war supplies in America.

[From the Bluefield (W. Va.) Telegraph of January 24, 1939]

If it is this Nation's foreign policy in this particular case to say we do not approve and endorse Japan's aggression in China and the implications thereof, then we certainly should not contribute as a people to such aggression.

[From the Washington (D. C.) Star of January 22, 1939]

Uncle Sam is the world's great purveyor of one of the basic raw stuffs from which death-dealing implements of war are fabricated.

But it seems inconsistent that we should be furnishing certain potential enemies of the United States with the basic material for weapons that may some day be turned against these shores and our own citizens.

[From the Monrovia (Calif.) Journal of January 26, 1939]

The American attitude toward the Japanese militarists is as well known in Tokyo as it is here, and these facts, therefore, will not come as news to the Nippon leaders. What is significant, however, is that the United States, as well as other nations, may actually take a vital part in a conflict between two foreign countries without sending armed forces abroad. Economic sanctions, indeed, may prove to be one of the most important measures for maintaining world peace.

[From the Lenoir (N. C.) Topic of January 13, 1939]

Japan has secured millions upon millions of dollars in supplies, consisting of junk and other war materials, with which they have waged ruthless war upon China while America has become horrified at the atrocities and murderous destruction of innocent men, women, and children in China. Destruction wrought by the very material they purchased from us.

[From the Durham (N. C.) Sun of February 6, 1939]

While, then, we are becoming more jittery year by year over the tension between this country and Japan, we are definitely making it possible for Japan to acquire military and economic status which make her dangerous to our own interests. Without the supplies sold Japan by the United States Japan could not approach the military strength it has reached and the potential strength which impends. Japan could not conquer and so command a vast range of raw materials and a great reservoir of bond-servant labor.

Since here in America we do not hesitate to take any economic advantage, even to buying Japanese goods while our own mills close down, there is not reason to believe why the Japanese, whom we consider less enlightened, will seize every advantage. If we cut off Japan's American supplies, we shall lose some money. If we do not, however, we may see our entire economic system shaken to its roots. Is it that we do not care about the America of the future? Do we dismiss the dark prospect with the mental reflection that it will not come until we have passed on? Do we simply intend to grab all we can for ourselves while we live, confident that we shall be dead before the consequences fall?

[From the Springfield (Ohio) News of February 6, 1939]

American scrap iron is fighting Japan's war against the Chinese. Our junked automobiles and other metal worn-out things cross to the West by the trainload for transshipment to the Japanese factories which turn our junk into instruments of death.

[From the Youngstown (Ohio) Vindicator-Telegraph of January 14, 1939]

Shipments of steel scrap and other war materials are still going to Japan, and most Americans would be pleased to have Mr. Hull extend his request, so that our assistance would be denied any nation which bombs civilians.

[From the Carrolltown (Pa.) News of February 16, 1939]

The Congressmen who are so concerned over the shipment of planes to France do not seem to be worried about the purchases of oil that Japan is making in this country. Neither did they tear their hair about the immense quantities of scrap iron that Japan bought in this country evidently in preparation for her attack upon China.

[From the Jackson (Mich.) Citizen-Patriot of January 21, 1939]

A complete shut-down on the shipment of all war materials to Japan by United States, France, and England will be more effective than all the notes sent so far, and there have been plenty of them.

[From the Sheridan (Wyo.) Press of January 27, 1939]

The realization is spreading over the country that for some time we have been very greatly helping the Japanese conquest of China by furnishing to Japan material and supplies without which she could not conduct her Chinese campaign and which she probably could not get in sufficient quantities from any other country at this time. That is not a welcome thought to the majority of our people who not only sympathize with the Chinese but also do not look with complacence on the prospect of an aggressive and ambitious Japan dominating the Far East.

[From the Staunton (Va.) Leader of January 28, 1939]

Popular opinion is against furnishing war supplies to Japan and to do so while we simultaneously protest against air attacks on Chinese cities and extend credits to China is inconsistent, doing violence to our sympathies with China.

[From the Lakeland (Fla.) Ledger and Star-Telegram of December 29, 1938]

But Japan is violating every pledge and promise made with regard to the rights of other countries in China.

Other powers, including the United States, can wage an economic war against the aggressor that will count.

[From the Tacoma (Wash.) News-Tribune of November 8, 1938]

Is it not hypocritical to issue high-sounding pronouncements against Japanese aggression and at the same time sell enormous amounts of material to Japan to carry on that aggression?

[From the Lake Charles (La.) Press of December 27, 1938]

There is little fear of American war with Japan, which has its hands full. It seems safe, and it is probably the honorable and wise thing to do, to provide more liberal credits for China within the limitations of international law. This is not mere partisanship but fairness and decency, because we have been helping the aggressor by selling Japan huge war supplies. It is high time for China to "get a break."

[From the Augusta (Ga.) Chronicle of December 21, 1938]

By denying the United States free trade with China Japan can hardly be placing herself in the category of "friendly" nations, and therefore should not regard as strange any friendly gesture that this country made with respect to China.

[From the Providence (R. I.) Bulletin of December 21, 1938]

We should be closing our eyes to reality if we did not admit that this is so: That we have indicated our wish to see the Chinese Government strengthened to continue the resistance to Japan.

[From the New Haven (Vt.) News of December 29, 1938]

Officially our Government protests loudly against Japan's action in closing the open door in China, and all the while in the name of neutrality we allowed Japan to purchase in 1 month 320 tons of iron to be used in closing trade doors in China. While some of our citizens protested against the invasion of China, other citizens made about $3,000,000 in November by selling iron to the invaders.

[From the Boston (Mass.) Morning Globe of December 21, 1938]

Credits to embattled China are but one weapon in the arsenal of retort to such tactic. Another, more devastating, is still reserved. It is a flat embargo upon her goods, because of her discriminatory policy against us in China. Such embargo is within the power of Washington under the Commerce Act. And it is about time it was used.

[From the Owensboro (Ky.) Messenger of January 19, 1938]

If Britain and the United States wish to protect their own interests in the Far East they can do so only by refusing in any way to aid Japan in her aggressions in Asia.

[From the Cleveland (Ohio) Plain Dealer of January 29, 1939]

While we cry crocodile tears over the slaughter in China, our manufacturers earn big profits from the sale of munitions to the robber nation. Fifty-four percent of the war supplies used by Japan are supplied by the United States. England is next in line with a mere 17 percent of the total war material.

[From the Benzenia (Mich.) Banner of January 26, 1939]

Altruists is a good title for the great majority of our American citizens; this is evident considering the firm stand they are taking against supplying Japan with war material with which to destroy China.

[From the Anniston (Ala.) Star of January 22, 1939]

There may be a temporary profit in these sales to Japan, but in the long run they will be used to erect a Frankenstein that will destroy our Far Eastern trade entirely.

[From the Worcester (Mass.) Gazette of January 21, 1939]

The airplane ban against Japan is now complete. But there is no ban on the supply of scrap iron, oil, steel, and trucks. And these products are more necessary to Japan than manufactured munitions.

[From the Brunswick (Ga.) News of January 14, 1939]

Secretary Hull and his associates are to be commended for cutting off the American source of supply to those nations inhumane enough to bomb women and children and other noncombatants.

[From the Richmond (Va.) News Leader of February 7, 1939]

Nothing that Americans can do at this time will so menace the future of the Far East as for us to lend Japan money with which to exploit China and thereby to enslave the Chinese.

[From the Detroit (Mich.) Evening News of February 2, 1939]

Sharp distinction between cases accounts for the stoppage of sales of American war planes to Japan while their sale to France at the same time is allowed. If not technically, Japan actually is at war with China; she is a violator of trade and political treaties, a discriminator against the United States.

[From the St. Petersburg (Fla.) Times of January 25, 1939]

We sell Japan old junk from which bullets are made and lend China money with which bullets are bought.

[From the Laurel (Del.) State Register of January 27, 1938]

Americans will welcome the news that moral suasion has ended the situation by which the United States was supplying airplanes for Japan's bombing of Chinese civilians.

[From the Oskaloosa (Iowa) Herald of November 5, 1938]

The American people are not exactly happy to know that Japan is using American gasoline for its bombing planes and American material in its Army equipment for the unjustified invasion of China.

[From the Lafayette (Ind.) Evening Courier of December 29, 1938]

To the average persons, declares the Danville (Ill.) Commercial-News, the spectacle of Japan drawing much of her war material from the United States, whose people are overwhelmingly against the tactics and objects, is objectionable.

[From the Ithaca (N. Y.) Journal of December 7, 1938]

No one wants the United States to go to war with Japan over China, but it does not appear, on the other hand, as the situation has developed, that we must necessarily continue to supply Japan with the sinews of war.

[From the Christian Science Monitor of July 1, 1939]

The Christian Science Monitor a few days ago published figures as to the size of the American stake in the Japanese war making in China. The fell work that those implements have done cannot be matched since the Dark Ages. It is time that Japan, Government and military, were told that this kind of "cooperation" will no longer be afforded.

Mr. SCHWELLENBACH. I have said repeatedly that I do not present this matter from the point of view of our interest in China, and I do not present it from that point of view. However, I have heard the statement made that as a result of any action upon our part we would lose our cotton business in China, and I present data, not in the nature of an affirmative argument but in answer to those who are interested from the point of view of cotton. I shall not read it. But I ask permission to have placed in the RECORD two brief studies made by the Department of Agriculture and one argument in the magazine Contemporary Manchuria, found on page 44 of that magazine for January of this year, entitled "The Cotton Industry in North China."

There being no objection, the two studies and the article referred to were ordered to be printed in the RECORD, as follows:

TRENDS AND POSSIBILITIES OF COTTON PRODUCTION IN CHINA

(By Fred J. Rossiter, agricultural economist, Bureau of Agricultural Economics)

China is the third most important cotton-producing country, being exceeded only by the United States and India. Cotton production in China has increased more than a million bales during the past 5 years. This recent expansion has become an important

factor in reducing the demand for American and other growths, which China had been consuming largely in the form of imported cloth. The total amount of cotton piece goods, yarn, and raw cotton imported annually into China from 1900 to 1932 averaged the equivalent of more than 1,250,000 bales of raw cotton.[1] During the past 2 years imports into China of cotton goods and raw cotton have almost ceased.

It is important to ascertain what brought about this increase in production and to see what the possibilities are as to further expansion. Is it possible for cotton production in China to increase beyond domestic needs and compete with other cotton on the world market?

During the past 15 years China's raw-cotton consumption has totaled about 3.5 million bales annually. The Chinese cotton crop in 1936 was placed at 3,870,000 bales. An early estimate of the 1937 production was 4,400,000 bales, but this estimate is expected to be revised downward materially, possibly to as low as 3,600,000 bales, as a result of excessive, late rains and military activities in some of the important producing districts. Thus China's production is already slightly in excess of domestic needs. Furthermore, in most producing sections in China cotton is still a minor crop. Soil and climatic condition in many parts are suitable for cotton growing, and, with abundance of labor and other favorable economic factors and a continuation of cotton improvement work, it is possible for cotton production to be increased considerably.

HISTORICAL BACKGROUND

China has been producing cotton for centuries. In an old Chinese classic written about 2205 B. C., mention is made of cotton as having been used in the manufacture of cloth and given as tribute to the rulers of the "Middle Kingdom."[2]

During the last half of the eighteenth century, records of shipping companies indicate that China was exporting cotton piece goods to Europe and America, so that China at that time evidently had a supply of raw cotton in excess of domestic requirements. By about 1800, however, a small amount of raw cotton was imported annually, which possibly offset the piece goods exported at that time. After 1820 and during the remainder of the nineteenth century, China was deficient in the supply of raw cotton, as total imports of cotton goods and raw cotton exceed exports. Cotton production evidently did not keep pace with the demand during this period when the population was increasing rapidly.

Foreign trade statistics for China indicate that imports of cotton piece goods and yarn in 1900 amounted to the equivalent of 1,000,000 bales of raw cotton. Since the Chinese population at that time was estimated at 400,000,000, China must, in addition, have been producing at least 1,500,000 bales of raw cotton to clothe this number of people.

RAPID INCREASE IN PRODUCTION SINCE 1932

Estimates of Chinese cotton acreage and production are available since 1920. These estimates, though perhaps somewhat incomplete for the earlier years, are continuous and give some indication of the trend. Without census data or land surveys, it is impossible to obtain accurate data. But the figures for the important producing provinces are believed to be fairly reliable.

Information available concerning the amount of Chinese raw cotton consumed by the modern spinning mills in China and the amount of raw cotton exported serves as a guide for production estimates. A large quantity of cotton is known to be used in home consumption, but accurate statistics are lacking. The severe winters and shortage of fuel north of the Yangtze River have given rise to the utilization of considerable raw cotton in padded winter garments and in so-called padded blankets. Raw cotton is still used for home spinning in the more remote sections of China.

TABLE 1.—*Chinese cotton acreage, production, and yield, 1920–37*

Year	Acreage harvested	Production	Yield per acre
	1,000 acres	*1,000 bales*	*Pounds*
1920	5,500	2,400	209
1921	5,830	2,200	180
1922	5,500	2,510	218
1923	5,425	2,400	212
1924	5,040	2,510	238
1925	5,000	2,460	235
1926	5,500	2,300	200
1927	6,000	2,824	225
1928	5,350	2,720	243
1929	5,960	2,458	197
1930	6,070	2,615	206
1931	5,620	2,092	178
1932	6,770	2,720	192
1933	6,720	2,980	212
1934	7,080	3,243	219
1935	6,250	2,667	204
1936	8,450	3,870	219
1937	----------	[1] 3,600	----------

[1] Preliminary.

Shanghai office, Bureau of Agricultural Economics.

[1] Bales of 478 pounds net are used in this article.

[2] Fong, H. D., Cotton Industry and Trade in China, the Chihli Press, Inc., Tientsin, China, Aug. 1932, p. 1.

China's cotton acreage from 1920 to 1931 averaged about five and one-half million acres, equal to about 15 percent of the United States acreage. During this period Chinese acreage showed no definite trend; but, beginning in 1932 and continuing into 1937, the acreage rapidly increased. Last year it was equivalent to about 25 percent of the acreage harvested in the United States.

Production of Chinese cotton, which fluctuated around 2,400,000 bales from 1920 to 1931, was equal to about 55 percent of the Indian crop for this period and 20 percent of the United States harvest. As a result of increased production, the Chinese harvest for the year 1936 equaled 70 percent of the Indian crop and over 30 percent of the United States harvest.

The yield per acre of Chinese cotton from 1920 to date shows no definite trend and only a slight variation from year to year, as compared with yields of most countries. This relative stability in yields is partially accounted for by the fact that, if a cottonfield gets a poor start in the spring, the farmer usually puts in a catch crop in place of the cotton; whereas, if a crop gets a fairly good start, the summer weather is generally favorable for producing at least an average harvest. Furthermore, the Chinese farmer seldom experiences disastrous diseases or insect infestation, at least not on as large a scale as in some countries.[3]

TABLE 2.—*Chinese cotton acreage and production, by Provinces, 1936*

Province	Acreage	Production
	1,000 acres	*1,000 bales*
Hopei	1,584	687
Shantung	928	484
Shansi	315	134
Honan	921	370
Shensi	646	254
Kiangsu	1,579	656
Chekiang	261	231
Anhwei	213	140
Kiangsi	34	11
Hupeh	1,349	722
Hunan	112	70
Others	592	155
Total	8,534	3,914

China Cotton Statistics Association. These estimates differ slightly from those in table 1, which are from a different source.

The yield per acre in China, as a result of intensive culture, averages higher than in the United States. The mature cotton plants are smaller in size than those in this country, but they are planted much closer together and, in addition, the crop is picked ever few days, with the result that there is little loss in harvesting.

MAJOR PRODUCING REGIONS

China has two rather distinct cotton-producing regions—the Yangtze Valley and North China. In addition, there are small producing districts between these two main regions and also a number of districts growing a small amount of cotton scattered over other parts of China. In the two principal producing regions, the basic factors affecting cotton production, such as climate, soils, and cropping systems, are materially different. Weather conditions that are favorable in one region are often unfavorable in the other. In the Yangtze Valley, cotton and a second crop are regularly produced on the same land each year. In North China, when cotton is grown, only one crop is raised per year. The recent expansion in cotton acreage has taken place largely in the North China region.

Yangtze Valley

The Yangtze Valley, which is in about the same latitude as southern Georgia, has been an important cotton-producing region for a long time. Two decades ago, this region furnished a large supply of commercial cotton. Of the 34 cotton-spinning mills in operation in China at that time, all but 2 were located in the Yangtze Valley.

The most intensive cotton-growing area is found along the Yangtze River in the Nantungchow district of Kiangsu Province. This Province has for many years been the leading producer of cotton. Cotton growing is also fairly extensive on the south bank of the Yangtze River and surrounding the city of Shanghai.

The second most important cotton-producing area in the Yangtze Valley is west and northwest of Hankow in Hupeh Province.

In Chekiang Province, along the south bank of Hangchow Bay, is a small area where production is intensive. Cotton produced in this section matures earlier than elsewhere in China and usually reaches the Shanghai market about the first of September.

A few cotton-producing districts are located at Anhwei, Kiangsi, Hunan, and Szechwan Provinces, but these sections supply only a small part of the commercial staple consumed in the modern spinning mills. A marked expansion in cotton acreage has taken place in recent years in northern Hunan.

North China

The north China cotton region is in about the same latitude as North Carolina and the southern half of Virginia. Production

[3] Many observations in this article are based on field investigations made by the writer from 1931 to 1936, while stationed at Shanghai.

in this region is heavily concentrated in the Yellow River Valley.

The heaviest producing area is in southern Hopei, northwest Shantung, and northern Honan Provinces. Another important cotton-growing area in the Yellow River Valley is in northwest Honan, southern Shansi, and eastern Shensi. China's long staple comes from this area, and during the past few years a considerable expansion in acreage has taken place in Shensi Province.

Minor producing areas in the north China region are north-central Shantung Province and the Tientsin area. These two districts are of particular importance, as the recent expansion has consisted largely of improved staple.

Manchuria

Some consideration should be given to Manchuria because of the recent efforts to increase production in this area. Climate, soil, and cropping conditions are somewhat different from those in north China. The soil is more fertile, the growing season shorter, and rainfall somewhat more certain than in north China. In general, only one crop is grown in Manchuria per year. Manchuria has been growing native types of cotton for many years and producing approximately 40,000 to 50,000 bales each year. As a result of a great deal of effort by the new government in Manchuria to increase production and improve the staple, the cotton crop has been increased to approximately 90,000 bales; government officials plan to increase production within 15 years to approximately 400,000 bales. Private concerns, however, have lost interest in Manchuria as a supplier of raw cotton because production has increased so slowly, despite the heavy investments already made.

PHYSICAL FACTORS AFFECTING PRODUCTION

As far as physical factors, such as rainfall, temperature, and soil, are concerned, China appears to be well adapted to cotton production. Most of the sections in the Yangtze Valley region are suitable for cotton growing, and in North China the temperature and soil are fairly well adapted, although rainfall is somewhat uncertain.

Much of the total area in China is mountainous, but practically all of the cotton is produced at an altitude of less than 500 feet. The only exceptions are small acreages in south China, Yunnan Province, and part of the acreage in Szechwan Province. In some sections of the Yangtze Valley and in north China cotton is grown on lowlands, which are usually flooded in years of excessive rainfall.

Climate and soil generally favorable

The amount of rainfall in the Yangtze Valley corresponds with that of the eastern Cotton Belt of the United States. The annual amount averages 45 to 50 inches and is well distributed seasonally for cotton production. While the average annual distribution appears nearly ideal, the year-to-year distribution is irregular.

Excessive rainfall and droughts frequently damage the cotton crop in some of the important areas in the Yangtze Valley region. Too much rainfall damages the crop on the low-lying fields, where poor drainage exists. On the other hand, a dry period exceeding 2 or 3 weeks during the summer months seriously injures the cotton plants, as the temperature is usually high and the moisture is not retained so long as in some countries because of the lack of organic matter in the soil. In several sections, however, farmers irrigate their fields by pumping water from streams or canals when rainfall is deficient. In the Yangtze Delta typhoons (severe wind and rainstorms) occur in some years and cause considerable damage to the cotton crop.

TABLE 3.—*Rainfall in cotton regions of China*

Month	Yangtze Valley		North China		
	Shanghai, 53-year average	Hankow, 44-year average	Tientsin, 35-year average	Taming, 17-year average	Shanchow, 6-year average
	Inches	*Inches*	*Inches*	*Inches*	*Inches*
January	2.0	1.8	0.2	0.4	0.2
February	2.4	1.9	.1	.3	.1
March	3.4	3.8	.4	.5	.6
April	3.7	6.0	.7	.5	.8
May	3.6	6.5	1.1	.8	2.2
June	7.4	9.6	2.5	2.4	2.2
July	5.9	7.1	6.9	5.2	4.1
August	5.7	3.8	5.2	5.6	4.0
September	4.7	2.8	1.9	3.1	2.6
October	3.1	3.2	.6	.5	1.1
November	2.0	1.9	.4	.4	.2
December	2.5	1.1	.1	.2	.2
Total	46.4	49.5	20.1	19.9	18.3
Highest	62.5	82.9	31.3	34.1	26.5
Lowest	27.9	22.8	10.0	9.9	7.8

Chapman, B. Burgoyne, The Climatic Regions of China, University of Nanking, Bull. No. 3, 1933.

In the north China cotton region, the annual rainfall amounts to about 20 inches as compared with about 30 inches for central Texas. Although the annual precipitation is low, the average distribution is quite well suited for cotton growing, approximately 70 percent occurring during June, July, and August. While the average annual distribution is satisfactory, the year-to-year uncertainty in this region is a very important factor in determining the cotton acreage in any particular year. Most areas of North China are subject to the possibility of insufficient moisture in April and May, and often the summer rains do not come until the middle of July. Under such conditions cotton acreage is materially reduced. Such a reduction occurred in 1935, when the intentions to plant pointed to an acreage above that of the preceding year but, as a result of the dry weather during May and June, the actual acreage was substantially lower. On the other hand, July and August rains are sometimes excessive and result in floods, which damage the crops in some localities.

Well irrigation, which was promoted by the China International Famine Relief Commission about 16 years ago, has become quite common in many districts in Hopei and has developed to some extent in other Provinces in north China. A farmer having a good well is usually able to obtain a satisfactory cotton crop each year. In a few districts approximately 50 percent of the farmers have wells, but in a great many sections only a few wells have been dug. Many farmers in north China lack sufficient capital for digging a well, the average cost of which is estimated to be around $50.

Temperature in the Yangtze Valley and north China regions is amply warm, and the growing season is sufficiently long in most sections to insure suitable cotton production. In all sections of China the cotton plants, in general, cease growing and dry up during the last half of September, variable weather having but little effect.

TABLE 4.—*Temperature in cotton regions (Fahrenheit)*

Month	Yangtze Valley		North China		
	Shanghai, 44-year average	Hankow, 29-year average	Tientsin, 10-year average	Taming, 4-year average	Sian, 8-year average
	Degrees	*Degrees*	*Degrees*	*Degrees*	*Degrees*
January	38	40	25	28	33
February	39	43	29	33	39
March	46	50	40	42	50
April	56	62	55	58	63
May	66	71	67	71	75
June	73	80	75	78	83
July	80	85	79	84	86
August	80	85	79	82	82
September	73	77	69	71	72
October	63	67	58	61	63
November	52	55	40	44	44
December	42	45	27	33	36
Average date of—					
Last frost	Mar. 15	Feb. 23	Mar. 31	Mar. 25	Mar. 10
First frost	Nov. 22	Dec. 17	Nov. 5	Nov. 8	Nov. 19

Chapman, B. Burgoyne, The Climatic Regions of China, University of Nanking, Bull. No. 3, 1933.

The temperature in the Yangtze Valley is very similar to that in southern Georgia though the spring months are slightly cooler. In central China, however, summer months are somewhat warmer and winters are colder in comparison with seasons in the same latitude in the United States. The average period free from frost in the Yangtze Valley is over 250 days, or slightly longer than in southern Georgia.

In North China, the temperature in the spring months is similar to that of North Carolina and Virginia. The summer months in North China, especially inland from the coast, are warmer and the winters colder in comparison with these States. Contrary to general opinion, the season free from frost in North China is not too short for cotton production. It averages about 225 days, or nearly the same as in North Carolina and Virginia. It is true that the lack of sufficient moisture in the early summer months often retards the growth of the cotton plants. Furthermore, imported American cottonseed, before becoming acclimatized, often fails to ripen.

Chinese cotton is produced on soils largely of alluvial deposits, which have a good mechanical texture but are low in fertility and organic matter. In both of the major producing regions, the crop is grown on what is considered good farm land. The production of most of the cotton on alluvial soils is further evidence that the crop is raised largely at a low altitude.

In the Yangtze Valley the soils are principally of a gray alluvial type, especially those west of Hankow and near Shanghai. In the Yangtze delta along the seacoast are saline alluvial deposits where the heavy cotton-producing section of Nantungchow is located. This type of soil is found also in the cotton district on the south bank of Hangchow Bay in Chekiang Province. Most soils in the cotton sections of the Yangtze are acid.

The principal soil of the North China cotton-producing region is a brown calcareous alluvial deposit found in central and southern Hopei, northern and western Shantung, and northern Honan. This type of soil has been washed down by the Yellow River from

the loess deposits of the west. In northwest Honan, Shansi, and Shensi Provinces, cotton is grown on a chestnut loess soil. The loess deposits are fairly deep, with the result that most of the cotton produced in this section is grown on land with a slight elevation. In the Tientsin area, most of the cotton is produced on a saline alluvial type of soil.

Cultural practices

Cotton planting and harvesting in the two major producing regions occur at approximately the same dates. Planting is usually begun about the 1st of May, although wet weather in some localities in the Yangtze Valley and the lack of moisture in north China may make later planting necessary. It is possible to plant cotton up to the end of May. If moisture conditions are not suitable by that time, some other crop is eventually planted.

In many sections of the Yangtze Valley cottonseed is commonly broadcast in the wheat or barley crop. When the grain crop is harvested the last of May or the 1st of June, the young cotton plants are from 1 to 3 inches high. In north China the cottonfields are spring-plowed and harrowed and the seed is planted by hand in rows. The principal cultivation in both regions is hoeing by hand. Well irrigation in north China requires considerable work. The water from the wells is brought up by small containers attached to an endless chain, which is operated by a power wheel pulled by a donkey, horse, or cow. A number of farmers, however, pull the water up by means of a hand windlass.

Various kinds of fertilizers are used for the cotton crop. The Chinese have a saying, "If seeds are planted, feed must be provided for the young plants." Barnyard manure, canal and pond mud, ashes, and, to a limited extent, vegetable oilseed cakes are some of the common fertilizers used. The oilseed cakes, however, are used more extensively for rice and wheat, which generally give a higher return per acre.

Picking the cotton crop in China is work at which all members of the family lend a hand. Several pickings are made during the season, but fully 70 percent of the crop is harvested during the month of September. In Chekiang Province, where cotton matures the earliest, the first picking begins about the middle of August. Late pickings in north China end in early October.

ECONOMIC FACTORS LIMIT COTTON ACREAGE

Though physical factors are reasonably favorable to cotton production in China, economic factors account for the fact that only a small percentage of the cultivated land in China is today producing cotton.

The density of population is estimated at about 1,560 people per square mile of cultivated land as compared with 200 in the United States. This fact makes it necessary for the Chinese people to use a very large percentage of their land for producing food for human consumption. Even in the heaviest cotton-producing section, Nantungchow, it is estimated that on an average only 33 percent of the land is in cotton. No estimates are available to indicate the amount of cultivated land in the two major cotton regions that is used for cotton production, but crop estimates would indicate it to be less than 5 percent. This compares with over 40 percent of the cropland in the nine Cotton Belt States of the United States. Approximately 90 percent of the cultivated land in China is used for producing food for human consumption, and small percentages are in tobacco, hemp, ramie, mulberry trees, etc. No cultivable land is left in hay or pasture, nor is any used for producing feed for livestock.

In land utilization cotton occupies a minor place in both producing regions. In the Yangtze Valley, two separate crops are produced on most of the land each year. Cotton is grown in competition with other summer crops, such as rice and soybeans. Winter wheat is the most important winter crop, while barley, broadbeans, rapeseed, and peas are also grown extensively during the winter season. Rice is considered the most profitable crop. Some farmers, however, raise cotton or beans, since rice is more expensive to produce in that it requires much greater amounts of labor and fertilizer.

In North China, about 50 percent of the land is in winter wheat each year. The other half is fallowed during the winter and in the spring such crops as kaoliang (grain sorghum), millet, and cotton are planted. Kaoliang and millet are harvested in time for seeding winter wheat, but in this region cotton requires the entire season. Summer crops, such as soybeans, millet, peanuts, sweetpotatoes, and corn, are planted after the winter wheat is harvested. Cotton, in some sections, is grown on the same land each year, but it is more common in a 2- or 3-year rotation.

The amount of cotton planted each year depends not only on climatic conditions but also, to a certain extent, on the price of cotton in comparison with other crops. When food prices are high in relation to cotton, or vice versa, it is believed the Chinese farmer makes a shift in the crops planted. Available information giving acreages of various crops from year to year is not sufficient to judge the extent of the shifts in plantings caused by changes in farm-price relationships. Agricultural prices at Shanghai, according to table 5, indicate that in the autumns of 1935 and 1936, raw-cotton prices were more favorable than those of rice and peanuts, compared with prices of previous years. Whether there was a decrease in the acreage of rice and peanuts the following year is not known, but estimates of cotton acreage for China show large increases in 1936 and 1937.

TABLE 5.—*Agricultural prices at Shanghai, 1930–36*

Date	Chinese dollars per 100 pounds				United States dollars per 100 pounds			
	Raw cotton	Rice	Soybeans	Peanuts	Raw cotton	Rice	Soybeans	Peanuts
November:								
1930	36.19	8.50	4.54	7.86	10.09	2.37	1.27	2.19
1931	36.19	7.13	3.41	7.82	8.99	1.77	.85	1.94
1932	33.17	5.12	4.41	5.61	6.99	1.08	.93	1.18
1933	24.34	4.56	2.98	4.43	7.94	1.49	.97	1.44
1934	31.75	7.51	4.72	4.08	10.64	2.52	1.58	1.37
1935	33.57	6.70	5.08	5.62	9.90	1.98	1.50	1.66
1936	39.01	5.66	4.99	5.90	11.51	1.67	1.47	1.74

Shanghai office, Bureau of Agricultural Economics, and Shanghai Monthly Prices and Price Indices.

In spite of good prices for cash crops such as cotton, the Chinese farmer's first goal is to produce sufficient food for himself and his family. Most farmers carry only a small reserve supply and have but little cash with which to purchase food in years of poor crops. With inadequate transportation facilities, food prices are always very high in years of crop failure. In the North China region, therefore, where crop production is somewhat uncertain, the average farmer grows a variety of crops and does not put in so large a cotton acreage as he probably would if he lived in an area with a more dependable climate. If ample food supplies were assured, the Chinese farmer would undoubtedly be willing to grow proportionately more cotton.

An attractive price, nevertheless, induces farmers to plant cotton. The price of Chinese cotton is, of course, affected by supply and demand conditions in China. Since comparatively small quantities of cotton are exported at the present time, the demand is determined largely by the activities of the modern spinning mills in China. This demand, in turn, depends upon the market for yarn, which is affected materially by economic conditions in the country, such as favorable crops, level of farm prices, and stability of the Government.

In general, however, prices of Chinese cotton follow the trend of world prices. Prices of foreign growths at Shanghai are affected by changes in import duties and fluctuations in foreign exchange. For example, when Indian and United States currencies were devalued, prices of foreign cotton became cheaper in Chinese currency. In 1935, when Chinese currency was devalued, prices of foreign cotton became proportionately higher at Shanghai.

The Chinese Government, by raising the import duty on raw cotton from 42 cents per 100 pounds[4] in 1929 to $1.72 in 1934, increased the cost of foreign cotton in China and thereby raised the price of domestic staple. During recent years, the price of Chinese cotton has followed rather closely the price of Indian Akola at Shanghai, with the Chinese staple usually remaining slightly below the price of Indian. When prices of Indian Akola at Shanghai become cheaper, cotton mills begin to buy Indian staple.

MARKETING METHODS AND MARKET CENTERS

Marketing of cotton in China requires a great deal more labor than in the United States, and methods are relatively inefficient. Most of the ginning is done in the home during the fall and winter when there is little demand for farm labor, by means of a spike gin operated by the foot. Only in remote places is the seed separated from the lint by hand. Near some of the cotton centers, farmers sell their seed cotton to a central gin. The majority sell their ginned cotton to a local buyer, who, in turn, sells to a visiting middleman to ship to a concentration point or to a central market. Cooperative marketing has been undertaken by farmers in a few districts during the past few years.

After the cotton is ginned, it is tied up by a home-made press into a native bale varying in weight from 100 to 150 pounds. If the cotton is consumed in a nearby locality, it is sold to the mills in the native bales. Cotton produced in distant sections is brought to central marketing points, where it is usually resold, taken to modern presses for putting into bales of 300 to 400 pounds, and then shipped to the consuming centers.

There are five principal cotton-marketing centers in China; namely Shanghai, Hankow, Tientsin, Tsinan, and Chengchow. At each center are several cotton dealers, who have large warehouses for storing cotton. Most of these dealers are financed by the leading Chinese banks.

Shanghai, which is the largest market, receives cotton from all parts of China. Fifty-two percent of the country's cotton spindles are located there. Prices paid at Shanghai usually determine prices paid at other centers.

Hankow is the market for cotton produced in the upper Yangtze Valley and receives a small amount by railroad from Honan and Shensi Provinces in the North China region. Hankow, having only six cotton mills, has a considerable excess of raw cotton. Several modern press packing plants located there re-press the surplus and ship it to Shanghai.

[4] This includes import duty, customs surtax, flood-relief surtax, and conservancy fees.

Chengchow, located at the junction of the east-west and north-south railways in Honan Province, is an important cotton center. A large percentage of the cotton grown in western Honan and Shensi Provinces is sold at Chengchow, where it is re-pressed before shipment to Shanghai, Hankow, or Tsingtao. Markets like Chengchow receive hourly radio cotton quotations from the Shanghai Cotton Exchange.

Tsinan, in Shantung Province, also located at a railroad junction, is a market for cotton produced in the western part of the Province. While there are three cotton-spinning mills at Tsinan, considerable quantities of raw cotton are shipped to Tsingtao and some to Shanghai.

Tientsin has long been a cotton market, receiving cotton from most of the districts of Hopei, some from northwest Shantung, northern Honan, and Shensi Provinces. Tientsin has for many years exported a type of cotton produced in Hopei and desired in foreign markets.

The cost of marketing cotton is high because of the many middlemen and the lack of adequate transportation facilities. This is especially true of cotton produced inland from railroads and waterways.

QUALITY OF COTTON HAS IMPROVED

Chinese cotton has long been known for its short staple and poor spinning qualities. There are, however, many degrees of quality and lengths of staple grown in China, although there is no reliable information as to the quantities of the various grades produced. Staple produced from Chinese seed that has been native to the country for a long period is short in length, and until recent years little effort has been made to improve Chinese cotton. In the last few years considerable work has been done to improve the staple and during 1937 cotton produced in China was used almost entirely for spinning yarn up to 40 count. A few years ago most of it was suitable only for spinning yarn of 16 count and below.

In staple length the bulk of native cotton produced is from one-half to three-fourths inch. The best native cotton produced in the Yangtze Valley is in the Nantunchow area, and averages about three-fourths inch in length. The native staple of the Hankow area averages about five-eighths inch. Most of the native cotton grown in North China has been short in staple and of poor quality.

A type known as rough cotton has been produced in Hopei Province for many years in fairly large quantities. A small volume of rough cotton also has been produced in northeastern Hupeh Province. This type, about one-half inch in length, is wiry in character and has not been used to any extent by modern power spinning mills, except possibly for 10- to 12-count yarn. It has, however, been in demand in foreign countries for padding and for mixing with wool. At times it has commanded higher prices than improved American cotton in some of the world markets. The yield per acre of this type, however, is relatively low, and production has declined rather rapidly in recent years, as farmers have shifted to improved varieties.

An improved staple has been grown for several years in northwest Honan and Shensi Provinces which has been called German cotton. This cotton is from American seed introduced by German missionaries some 20 or 30 years ago. Although the seed has degenerated, cotton produced in this area is considered one of the best staples in China and is known as Lingpao.

TABLE 6.—*Samples of Chinese cotton classified by the Cotton Division of the Bureau of Agricultural Economics*

Cotton-producing district	Staple length (inches)	Classification according to American standards
1. Lingpao, Honan	15/16 to 1 1/16	Middling Spotted. Strict Middling Spotted.
2. Shantung, American seed	7/8	Good Middling Spotted.
3. Shensi	3/4	Strict Middling Spotted.
4. Tientsin, rough	1/2	Do.
5. Tientsin, American seed	7/8	Do.
6. Nantungchow, Kiangsu	3/4	Good Middling Spotted.
7. Shanghai	5/8	Middling Spotted.
8. Hankow	1/2 to 5/8	Strict Middling Spotted.

Chinese agricultural experiment stations have for several years been growing American and improved Chinese cotton varieties and in the past few years have supplied farmers with increasing quantities of improved cottonseed. In north China, more extensive work has been done than in the Yangtze Valley. In several districts of Shantung Province, near Tientsin, and in central Hopei Province, the use of improved seed has resulted in a marked increase in production of staple three-quarter to 1 inch in length. Also in Shensi Province, the Government has been active in distributing improved cottonseed. The improvement work has been more noticeable in north China as a result of the expansion in acreage and the shift from the rough type to the improved staple production.

TABLE 7.—*Tentative Chinese cotton classes*

Classification	Description	Staple length
1. Long staple American seed.	All varieties possessing soft, fluffy, brilliant, silky appearance.	1 inch or more.
2. American short staple	All varieties of improved staple	3/4 to 1 inch.
3. Chinese black seed	Native types of black seed, fine fiber, of creamy color.	5/8 inch.
4. Chinese white seed	Native types of white seed, slightly silky in appearance.	5/8 to 13/16 inch.
5. Coarse fiber	Native type, slightly rough character, and white color.	1/2 to 3/4 inch.
6. Extra-coarse fiber	Rough, harsh quality, dull white in color.	1/2 inch.

Chinese Economic Journal, Shanghai, November 1934. Standards established by the Shanghai Bureau of Testing and Inspection.

Improved cottonseed has also been distributed to farmers in the Yangtze region, but to a lesser extent than in the north. Some improvement work has taken place in practically every cotton-producing Province in the Yangtze, the largest amount probably in Hupeh Province.

No statistics are available that indicate the amount of improved cotton being produced. In the Yangtze Valley there is a considerable quantity of approximately three-fourths inch staple being produced, but that above seven-eighths inch in length is still quite limited. In north China improved cotton with a staple length of three-fourths inch or longer is now being produced in several districts of Shantung and Hopei Provinces and in western Honan, but the annual quantity probably does not exceed 400,000 bales. The improved seed that has been distributed in recent years may, however, result in larger production of improved-quality cotton during the next few years, both in north China and in the Yangtze region.

TABLE 8.—*Staple lengths of Chinese cotton marketed at Shanghai*[1]

Staple length	Percentage of total	Staple length	Percentage of total
Inches:		Inches:	
Under 3/4	0.8	29/32	7.6
3/4	16.5	15/16	7.1
25/32	29.2	31/32	2.4
13/16	20.2	1 or more	2.4
27/32	5.7		
7/8	8.1	Total	100.0

[1] Based on tests made by the Shanghai Testing and Inspection Bureau from about 100,000 bales from the 1933 crop. These results were obtained by laboratory measurements and probably averaged slightly higher than if determined by commercial practice.

Chinese Economic Journal, Shanghai, November 1934.

DOMESTIC CONSUMPTION OF RAW COTTON INCREASING

The increased consumption of Chinese cotton and the decreased consumption of foreign cotton, directly and indirectly, in China during the past 18 years are more pronounced than the increased production. An examination of these trends brings out striking results in the loss of the market for American and other foreign growths. In 1921 modern spinning mills in China used about 1,000,000 bales of native staple, or 74 percent of the total consumed. During the same year China imported 470,000 bales of raw cotton, and, in addition, imported piece goods and yarn made from American and Indian growths approximately equal to 982,000 bales of raw cotton. In 1936 the spinning mills in China used 2,372,000 bales of Chinese staple, or 92 percent of the total consumption. China's imports of raw cotton in 1936 fell to 188,000 bales, and imports of cotton piece goods and yarn declined to an equivalent of approximately 44,000 bales of raw cotton. Thus the combined imports of foreign cotton and cotton textiles was equivalent to 1,452,000 bales in 1921 compared with only 232,000 bales in 1936.[5]

A large volume of Chinese cotton is still used for home consumption in China. In the remote places spinning is still a home industry. A considerable quantity of raw cotton is used for padded garments and padded blankets. The total quantity used in home consumption has been roughly estimated at 800,000 to 1,000,000 bales annually. Since much of this cotton does not enter commercial channels, it is impossible to arrive at an accurate production figure.

Cottonseed is largely consumed within the country. In most of the heavier producing districts the oil is crushed from the seed. The oil is used largely for cooking purposes and the cake for fer-

[5] An article dealing with the development of the cotton-textile industry in China and its effects on the market for American cotton is in preparation.

tilizer and, to a small extent, for feeding livestock. China for a number of years has annually exported from 60,000 to 150,000 short tons of cottonseed, the bulk of which goes to Japan. During the past 3 years China has also exported small quantities of cottonseed oil.

IMPORT AND EXPORT COTTON TRADE

From 1920 to 1936 China was a net importer of raw cotton. Increased demand was created for suitable spinning cotton at the close of the World War by the construction of a large number of power spinning mills. During the period 1920–36 the spinning mills more than doubled their output of yarn. This, in turn, required a much larger quantity of desirable raw cotton and made it necessary to import from India and the United States. The large raw-cotton imports in 1931 and 1932 were attributed to the low prices of foreign staple and the short Chinese crop of 1931. China was the fourth best customer of the United States for raw cotton during 1931–32, taking 12 percent of our exports.

TABLE 9.—*Chinese imports of raw cotton, average 1916–20 to 1931–35, annual 1931–37*

Period	United States	British India	Japan [1]	Others	Total
Average:	*Bales*	*Bales*	*Bales*	*Bales*	*Bales*
1916–20	7,533	50,667	33,034	11,589	102,823
1920–25	55,653	289,466	105,426	8,715	459,260
1926–30	216,218	363,958	150,861	7,987	739,024
1931–35	466,958	229,095	19,672	22,642	738,367
Annual:					
1931	717,924	505,182	68,917	15,670	1,307,693
1932	865,370	126,535	24,807	20,814	1,037,526
1933	355,013	182,338	3,539	15,663	556,553
1934	269,232	233,201	727	33,855	537,015
1935	127,250	98,221	370	27,209	253,050
1936	43,428	94,825	----------	49,417	187,670
1937 [2]	11,399	27,448	----------	31,804	70,651

[1] Reexports, principally of United States and Indian cotton.
[2] Preliminary.

Compiled from the Maritime Customs, Foreign Trade of China.

The Chinese cotton crop, which began to increase in 1932, has been sufficiently large during the past 2 years to reduce the demand for foreign growths to an insignificant amount. At the present time only small quantities of American and Egyptian cotton are needed in China for spinning yarns above 40 count. Small quantities of Indian cotton also are imported, generally when prices of equal grade at Shanghai are below Chinese staple. As long as the present import duty remains in effect, however, imports of foreign staple into China will probably continue to be small except in years of short Chinese crops.

China has been an exporter of raw cotton for many years; prior to 1920 exports had exceeded the volume of imports for more than three decades. The bulk of cotton exported during these many years was primarily of the rough type produced in north China and shipped from Tientsin. The principal market for this type was Japan, with small quantities exported to the United States and to Europe. The decline in exports reflects the decrease in production of rough cotton. Exports reached their peak in 1927, amounting to 403,000 bales, and by 1934 had fallen to only 96,600 bales. Since 1935 there has been a gradual increase in exports. While the shipments of rough cotton to the United States have increased recently there has been an increase in staple suitable for spinning exported to Japan from both the Yangtze Valley and north China.

TABLE 10.—*Chinese exports of raw cotton, average 1916–20 to 1931–35, annual 1931–37*

Period	Japan	United States	Germany	United Kingdom	Chosen	Others	Total
Average:	*Bales*	*Bales*	*Bales*	*Bales*	*Bales*	*Bales*	*Bales*
1916 to 1920	201,892	31,469	58	6,206	1,235	5,938	246,798
1921 to 1925	195,794	31,949	4,622	2,641	1,711	3,557	240,274
1926 to 1930	235,785	37,627	8,736	1,221	2,775	4,308	290,452
1931 to 1935	132,113	21,734	6,733	58	2,400	6,764	169,802
Annual:							
1931	194,170	19,065	1,179	98	2,684	3,128	220,324
1932	137,054	30,732	6,874	540	2,581	7,230	185,011
1933	153,116	37,057	2,074	419	2,328	6,856	201,850
1934	76,881	10,285	2,855	209	2,340	4,012	96,582
1935	99,342	11,535	20,684	401	2,066	11,217	145,245
1936	119,207	33,502	8,011	542	5,532	3,129	169,923
1937 [1]	108,074	43,774	11,409	308	4,564	7,994	176,123

[1] Preliminary.

Compiled from The Maritime Customs, Foreign Trade of China.

FACTORS CAUSING RECENT EXPANSION IN PRODUCTION

As a result of all the work that has been done to improve and increase cotton production during the last 4 years, China has now become practically self-sufficient, both as to quantity and as to quality of raw cotton.

The increase of approximately 3,000,000 acres in cotton during the period 1932 to 1937 has been accomplished largely through a shift from other crops, as probably less than 5 percent of the increase has been on new land. An increase of 3,000,000 acres planted to cotton would not appear large in the United States, but in China this amount of land diverted from food-producing crops means a decrease in the food supply at least equivalent to that required for 7,000,000 people. During recent years, China has not increased imports of food, but since 1934 has considerably reduced imports of wheat, wheat flour, and rice. Just what crops cotton has replaced is not definitely known, but it appears that they include kaoliang, soybeans, and, in some districts, peanuts. Three explanations have been offered for the adequacy of food supplies during the period of expanding cotton acreage: First, improved transportation has facilitated a freer movement of food crops from surplus areas; second, relatively peaceful conditions have prevailed in almost all sections of the country; and, third, favorable prices for farm products have stimulated more intensive cultivation.

It has been pointed out that cotton production has increased to the point where China no longer finds it necessary to consume annually more than 1,000,000 bales of foreign cotton, but is now growing a supply ample for domestic requirements at the present level of consumption. In order to have a basis for evaluating future possibilities, it is necessary to consider how this increased production has been brought about.

ENCOURAGEMENT BY DOMESTIC AGENCIES

Chinese cotton farmers have received encouragement, not only from their own Government and private agencies, but from foreign interests as well.

The most important single factor has probably been the raising of import duties on yarn, piece goods, and raw cotton by the Chinese Government. Between 1919 and 1934, the import duty on yarn was increased six different times. The import duties on piece goods were raised five times between 1929 and 1934, a total increase of 370 percent in less than 6 years. These large duty increases resulted in a tremendous reduction in the quantity of yarn and piece goods imported. During this period, the domestic milling industry was expanded and the demand for raw cotton increased. Annual imports of yarn and piece goods prior to 1920 were equivalent to more than a million bales of raw cotton, but in 1936 they amounted to less than 50,000 bales. Likewise, the National Government from 1929 to 1934 increased the import duty on raw cotton several times.

During the world depression, China developed a very unfavorable balance of trade. While the visible Chinese trade balance had been unfavorable for several decades, the trend became more pronounced after 1930. A number of important factors contributed to this situation. Overseas remittances by Chinese living abroad declined more than 50 percent; the devaluation of foreign currencies made it easier for foreign goods to enter China; and the large Manchurian soybean export trade was lost after 1931. To counteract these developments, the Chinese Government raised import duties several times on practically all commodities between 1931 and 1934.

Another important factor influencing Chinese cotton production is found in the promotional activities of the Government. A program to improve and increase cotton production was started in 1931. In 1932, the Chinese Government set up the National Economic Council, the purpose of which was to improve economic conditions. One of the main activities of this organization was cotton improvement, which was to follow three main lines; namely, distribution of improved seed, increased credit facilities for cotton farmers, and improvement of marketing facilities. The National Cotton Control Commission was organized under the auspices of the Economic Council in October 1933 to carry on the cotton-improvement work.

The National Government established a central agricultural experiment station near Nanking in 1934, which also cooperated with the provincial experiment stations on selection and distribution of cottonseed. An American plant breeder was employed for several years to assist the Federal and provincial experiment stations in these activities.

The Government also set up testing and inspection bureaus at several of the important marketing centers. One of the main functions of these bureaus was to test cotton offered for sale in an endeavor to improve the quality of cotton marketed, by reducing adulteration and moisture content.

In November 1935 the Chinese Government abandoned the silver monetary standard and adopted a managed-currency system. This increased the price of imported cotton and contributed to the rise in domestic farm prices. The competitive position of Chinese cotton as compared with foreign growths was improved, and an acreage expansion was thereby stimulated.

Cheaper interest rates to farmers through cooperative credit societies, sponsored directly and indirectly by the Government, assisted farmers in some localities to dig wells for irrigation and in some districts to market their cotton. The loan agencies often assisted members of the cooperative societies in selling their cotton. By eliminating several middlemen, the producer obtained a large percentage of the market value of his cotton.

The provincial governments in practically all the important cotton-producing Provinces, the municipalities of Shanghai and Tsingtao, the leading Chinese banks, and the China International Famine Relief Commission also have aided in the cotton-improvement work and acreage expansion.

Japanese influence

The Japanese have shown an interest in cotton production in China for a number of years. Of the 5,100,000 spindles in China,[6] approximately 40 percent are owned by Japanese. The Japanese mills are especially interested in improved cotton, as they spin a high percentage of the fine-count yarn made in China and produce an important quantity of the yarn and piece goods exported. Certain Japanese leaders have proclaimed on several occasions that they were interested in securing a source of raw-cotton supply for Japan near home, the purpose of which would be to replace as much Indian and American staple as possible. For instance, a Japanese monthly publication, the Oriental Economist, of August 1935 stated: "If China can be induced to grow cotton in such volume and quality as will meet the expanding requirements of Japanese spinning and weaving mills, the benefits accruing to both nations therefrom will be manifold."

The Japanese cotton mills and the Japanese Government have also been assisting in Chinese cotton-improvement work, particularly in Shantung and Hopei Provinces and Manchuria.

In Shantung Province the Japanese cotton mills (there are nine large Japanese mills at Tsingtao) organized the Shantung Cotton Improvement Association. For 4 years this association has been distributing American acclimatized cottonseed from Chosen, known as the King variety, to cotton farmers in eastern Shantung. In 1936 it was reported that 133,000 pounds of cottonseed were imported at Tsingtao.

Japanese industrial and agricultural experts have visited Hopei Province in North China several times in recent years. The South Manchurian Railway (Japanese-owned) now maintains a large office in Tientsin employing many statisticians and research workers engaged in studying general economic conditions, including the cotton-growing industry. Japanese interests have, during the past 2 years, acquired possession of several cotton mills in Tientsin.[7]

The Japanese have taken an active part in the work at the agricultural-experiment station owned by the Peiping-Mukden Railway located about 20 miles northeast of Peiping. This station, consisting of about 50 acres, has been managed since 1934 by a trained Japanese agricultural expert and has been stressing cotton acclimatization and growing seed for distribution. One of the principal types of cotton grown at this station is from American seed that has been acclimatized in Chosen. It is reported that the railway and Japanese interests each pay half of the operating expenses of the experiment station. How much of the improved seed has been distributed is not known, but American-type cotton can now be seen growing along the railways in several districts where native types were formerly raised.

In Manchuria the Japanese Army and the cotton-textile industry of Japan began an energetic cotton-improvement program in 1933. The Manchurian Cotton Producing Association was organized for the purpose of increasing cotton production from about 50,000 bales in 1933 to 400,000 in 1948. New cotton-experiment stations were established, farmers were furnished seed, and marketing organizations were set up. Because of unfavorable weather conditions in 1934 and 1935 there were only slight increases in production. This confirmed the general opinion that climatic conditions in Manchuria are unfavorable for cotton production. As a result, the Japanese cotton industry lost interest, but the Army has continued the program on a reduced basis and, after further experimentation, expects to develop cotton varieties more suitable to the Manchurian climate. An early estimate of the 1937 crop placed the production in Manchuria at 91,000 bales, but this figure will undoubtedly be revised downward because of heavy rains in the late summer.

POSSIBILITIES FOR FUTURE PRODUCTION

It has been pointed out that in the last few years China has reached a point of practical self-sufficiency in cotton production and thereby replaced over a million bales annually of American and Indian cotton formerly imported. This increase has been the result of a number of developments, including the imposition of import duties on raw cotton and cotton textiles, favorable cotton prices in relation to other crops, improved transportation facilities, and the crop-improvement program.

So far, the increase in production has resulted in practically eliminating foreign cotton from the Chinese market. In view of the growing desire of Japanese interests to obtain cotton from nearby sources, it is of particular interest to determine whether or not Chinese cotton production can be expanded further and thereby replace American and other growths in the other markets of the Orient.

Under certain conditions, such an expansion in Chinese production appears possible. Import duties imposed by the Chinese Government will not, of course, encourage production beyond the point of domestic self-sufficiency, but the other factors that have aided in bringing about the recent increase in production may be effective in expanding the production of cotton for export.

The competition for land that exists between cotton and other crops is particularly severe in China. Even where the price of cotton is favorable, a farmer may not grow it, because he is interested first of all in assuring a sufficient supply of food. This is particularly true in regions where transportation facilities are inadequate. It is probable that an improvement in transportation facilities will be made. This may make it possible to bring foodstuffs into North China from the surplus-food-producing regions of Manchuria and certain sections of north China and result in a further expansion of cotton acreage.

In addition to helping solve the question of food supply, improved transportation would in many places also reduce cotton-marketing costs. In many of the cotton-producing sections, the crop passes through the hands of a number of middlemen, each of whom moves the cotton along another stage to market. Better transportation and the resulting reduction in the number of middlemen would result in lower costs of raw cotton to the mills and possibly higher prices to the farmers.

On the other hand, improvement in the economic status of the Chinese farmer resulting from better transportation facilities might effect some increase in the domestic consumption of raw cotton, thereby reducing supplies available for export. Furthermore, should increased industrialization be developed in north China, a larger volume of cotton would likely be required for local consumption.

There are still certain areas in China where new land might be brought into use for the production of cotton. Some of these are located along the seacoast of Hopei Province and in the coastal region north of Shanghai. The reclaiming of this land, which will require a large amount of capital, would necessarily devolve upon the Government, and such a project is not likely to be undertaken for some time.

Even more uncertain are the possibilities of bringing new land into cultivation in northwestern China. Large areas of land are available in that part of the country, where the rainfall is extremely light and the growing season shorter than that of Hopei Province. Expansion of the crop acreage in this region would be dependent upon irrigation, for which water supplies are rather limited.

Some increase in the crop acreage in the Yangtze Valley might be made through large-scale drainage operations. Here again, however, it would be a question of a Government undertaking. Furthermore, in most sections of the Yangtze cotton region, rice is generally a more profitable crop than cotton, and it is not probable that more than a small part of any new land brought into cultivation would be devoted to cotton.

A continuation of the cotton-improvement work appears likely, once the current conflict in China is ended. The program has been primarily effective in improving the quality of the crop, but in the long run it should result in higher average yields. Production of higher-quality cotton would, of course, make the Chinese crop more competitive in the export market.

At the present stage of developments, Chinese cotton is more suitable for replacing Indian cotton than American. Little information is available with respect to the comparative advantages of cotton production in India and China. On the basis of general farming practices, however, and the much higher yields per acre in China, cotton production there is considered more efficient.

In conclusion, it is believed that, if an energetic program for expanding the acreage and improving the quality of the crop is continued, especially in north China, cotton production will exceed Chinese requirements. This cotton would be sold in other oriental markets, supplanting a certain amount of American cotton but offering stronger competition to Indian cotton. Uncertain rainfall in north China, however, will no doubt result in an irregular supply from year to year.

One of the most important questions in respect to future Chinese cotton production is the extension of Japanese influence in China. The purchase of Chinese cotton with Japanese currency not only would ease the Japanese foreign-exchange situation but would create a larger market for Japanese goods in China. As such developments occur, they may be expected to result in the utilization by the Japanese cotton industry of larger amounts of Chinese cotton, which would replace other foreign growths.

As long as military activity continues, however, cotton production will be materially reduced. Some Chinese cotton will probably be exported to Japan, because of the large number of cotton mills that have been closed in China.

THE COTTON INDUSTRY IN NORTH CHINA

I. Cotton cultivation and exportation of north China.
II. Advantages of cotton cultivation in north China.
III. Natural conditions for cotton cultivation in north China.
IV. Varieties of cotton cultivated in north China.
V. Cotton policy, encouragement and experimental facilities.

COTTON CULTIVATION AND EXPORTATION OF NORTH CHINA

The history of cotton cultivation in north China goes back to remote ages, beginning almost contemporaneously with the introduction of Buddhism into China. This crop was first raised as an agricultural product about 1,000 years ago, but its propagation and encouragement among the masses did not take place until rather recently. To be more exact, it was not until 1919 when cotton cultivation received a strong impetus from the spinning industry which recorded a sudden spurt about that year and continued to encourage cultivation. In consequence land used for the raising of cotton has increased in area considerably.

According to the 1937 statistics the area of land used for cotton cultivation in China totaled 3,500,000 hectares and production of raw cotton amounted to 14,000,000 tan (1 tan equals 60 kilograms), an amount which is equivalent to 12 percent of the world's total production, and next to the United States and India in rank. The three provinces of Hopei, Shantung, and Shansi are

[6] Since the beginning of Sino-Japanese hostilities in August 1937 several hundred thousand spindles at Shanghai and Tsingtao have been destroyed or damaged.

[7] From a report of the American Consulate General, Tientsin, September 2, 1936.

the main producing centers of north China, whose average annual production is about 3,770,000 tan or 36 percent of China's total. The area of land under cultivation and the cotton production of these three provinces for the past 5 years ending in 1936 are given in the table below.

China's cotton cultivation and north China's position

Year	Land under cultivation (1,000 mu)			Cotton production (1,000 tan)		
	China	3 provinces of North China	Percentage of North China	China	3 provinces of North China	Percentage of North China
1932	37,000	12,288	33.1	8,160	3,206	38.3
1933	40,454	12,790	31.6	9,774	3,416	34.9
1934	44,971	15,096	33.6	11,203	4,771	42.6
1935	35,026	9,185	26.2	8,143	2,826	34.7
1936	55,041	17,685	32.1	14,430	4,750	32.9
Average for 5 years	42,518	13,409	31.2	10,331	3,774	36.5

1 mu is equivalent to 1,000 square meters.
Statistics from S. M. R. north China office, Hokushi Bosckigo Kiso Shiryo (Source: book on the Spinning Industry in north China), 1938.

Adding the productions of Honan and Shenhsi Provinces to those of the three mentioned above, the total for north China becomes 49.7 percent of the entire country. Since there are in North China only 26 percent of the country's total number of spindles which are the main "consumers" of raw cotton, the chances of exportation of this product are great indeed.

The following table gives the amount of cotton exported and consumed at home during the years 1933 to 1936.

Demand and supply of north China cotton

[1,000 tan]

	1933	1934	1935	1936
Production	3,416	4,771	2,826	4,750
Imports	121	53	37	11
Exports	461	162	202	329
Internal consumption	3,076	4,662	2,661	4,432

Statistics from ibid.

ADVANTAGES OF COTTON CULTIVATION IN NORTH CHINA

Unlike the highly mechanized and industrialized cotton cultivation in the United States, cotton growers in North China are farmers of an extremely low standard, striving for the best to get a meager livelihood. These people barely meet their fundamental needs, such as food, clothing, and shelter through their main agricultural pursuits, and anything more that they want they must get through raising cotton, wheat, and other commercial products. Since cotton cultivation yields the largest income among farm products, it is quite indispensable in the rural regions of north China, and is consequently regarded as one of the big five crops, namely, maize, kaoliang, millet, and wheat. The importance which cotton cultivation holds in agricultural economy is very great, as it can be seen from the following table, and, in fact, forms the basis of agriculture in this region.

Income and expenditure of 1 mu of land according to crops

[Unit—Yuan]

	Income	Expenditure	Profit
American cotton	25.80	17.90	7.90
Native cotton	19.25	16.17	3.08
Wheat	10.50	11.30	−.80
Kaoliang	10.50	9.70	.80
Millet	11.70	12.20	−.50
Soybeans	9.10	7.20	1.90
Groundnuts	14.40	15.60	−1.20
Maize	8.50	9.90	−1.40

Statistics from S. M. R. Hokushi Yoran (General Survey of North China), 1937.

Moreover, the cotton yield of Hopei and Shantung is 26 chin (1 chin equals 0.60 kilograms) from 1 mu of land, which is a little better than the 22-chin-per-mu average for China as a whole, indicating that this part of the country is more favorably suited for raising this particular crop.

NATURAL CONDITIONS FOR COTTON CULTIVATION IN NORTH CHINA

Since cotton is a native plant of tropical countries, it demands more sunshine and higher temperature than other crops. The location of the cotton-raising regions of North China is 37 degrees north latitude, or slightly to the north of the average location of the world's principal centers which is generally regarded as 35 degrees north latitude. This places north China on a climatic and geographic disadvantage, and consequently the cultivation of the higher-grade varieties of cotton is limited. Varieties like the Egyptian cotton, which require a much longer time to attain growth, a warmer climate, and much humidity, cannot be raised in this region. Therefore, the selection of the best type for cultivation is very essential, since there are species like the American upland cotton which does quite well under dry climate and irregular rainfall and ripens within a relatively short time. Regardless of the poor climatic conditions (in comparison to the best producing centers of the world) north China is by far the best suited than Japan, Chosen, or Manchuria.

Period of maturity: In north China seeds can be sowed in the middle of April and harvested in early November or a period of two-hundred-odd days. This period is somewhat longer than that of Manchuria or Chosen, but a month shorter than the American cotton belts. In short, the period of growth is satisfactory.

Temperature: The temperature of the cotton-growing season, namely, for the 6 months between May and October is nearer to the ideal. The weather for June, July, and August is especially good, the highest temperature for this period being 30° Centigrade, and seldom below 20° Centigrade at the lowest. Unlike Chosen and Manchuria the thermometer rarely registers below 10° Centigrade in May, thus facilitating germination considerably.

Rainfall: Rainfall in north China is about 600 millimeters on the average which is approximately equal to that of Manchuria but half of that of Japan. Subtracting the rainfall of the rainy months, July and August, which is between 300 to 400 millimeters, the year's average, according to months is exceedingly low.

In a word, rainfall of north China is relatively small and distribution very irregular. Crops must face a dry season from the very beginning to the time they attain full growth, then during their fertilization period or in July and August rainfall is so heavy and thunder so frequent that a poor yield results. However, the rainy season ceases with the passing of these 2 months and with the coming of September and October dry climate sets in again to promote ripening and harvest.

Sunshine: To make up for the low rainfall north China enjoys much sunshine. Being a wet month, the month of August is an exception to this rule, but the average number of sunny hours for the 6 months is approximately 250 hours per month, which is about the same with Manchuria. Both have plenty of sunshine.

Varieties of cotton cultivated: Native cotton and the American upland cotton which has been imported from America are the main varieties under cultivation in north China. Special characteristics of the former are its short but strong fibers and high ginning percentage. It is best suited for making threads below No. 20 size, for thick-thread spinning, for making cotton for stuffing, and for making woolen and cotton mixtures.

King and Tries varieties are the primary upland cottons which are grown. These varieties ripen very early, their fibers are longer than the native variety, and are used mainly to produce threads of the No. 30 or 40 sizes. For these reasons these two varieties have become very popular, and their cultivation has increased tremendously in recent years. It is predicted that they will hold a more prominent position than the native variety in the near future. It is interesting to note here that the significance of upland cotton was first recognized with the earnest encouragement by the Japanese in Shantung and central Hopei Provinces from about the year 1917.

THE COTTON POLICY AND ENCOURAGEMENT AND EXPERIMENTAL FACILITIES

Policy of increasing production: The question of increasing cotton production in north China has long been a matter of deep concern on the part of the proper authorities. Deliberations on the question have been going on for some time between the provisional government of Peking and the Japanese, both of whom are represented in the Japan-China Economic Council, but of late cotton has been recognized "as a profitable agricultural product for native farmers and an important raw material for Japan." In line with this conclusion a policy for increasing production was adopted, execution of which will begin with the present year. The main points embodied in this plan are as follows:

1. In north China a plan calling for increasing cotton production to 10,000,000 tan per annum at the end of a period of 9 years beginning with 1938 will be carried out.

2. The area of land allotted for cotton cultivation will be increased to 30,000,000 mu. Much care will be taken to prevent the decrease which might occur in the cultivation of wheat and other grains in enlarging the area for cotton cultivation.

3. King's Improved and Tries will be selected for encouragement together with superior native varieties.

Parts of the plan to be carried out each year are given in the table below.

Projected cotton production for each year

[In 1,000 tan]

	American variety	Native variety	Total
1938	2,246	1,958	4,204
1939	2,499	2,154	4,653
1940	2,803	2,369	5,171
1941	3,470	2,357	5,827
1942	4,199	2,343	6,542
1943	5,070	2,327	7,397
1944	5,972	2,310	8,282
1945	6,837	2,359	9,196
1946	7,665	2,335	10,000

The following are the points which will be carried out in the fulfillment of the policy.

1. To increase and encourage the cultivation of superior varieties.

2. To advance loans for the establishment of irrigation facilities.

3. Establishment of publicity and encouragement organs.

4. Strengthening of the supervisory system.

5. Improvement of farming methods and the eradication of pests and plant diseases.

6. Readjustment of land leases for small tenant farming, improvement of transportation facilities, rationalization of transportation rates, readjustment of the customs, encouragement of immigration, and the encouragement for increasing the production of foodstuffs.

The total estimated expenditure needed to carry out the nine-year plan is approximately 29,128,000 yuan, while the establishment of irrigation facilities will require an additional 72,362,000 yuan which will bring the total well up to the 100,000,000-yuan mark.

Upon realization of the plan and cotton production subsequently boosted to 10,000,000 tan per annum, this amount will be apportioned as follows:

Three and one-half million tan to be consumed by the spinning industry of north China which will have by then a total of 1,300,000 spindles.

Other local consumption—1,000,000 tan.

Upon the revival of the spinning industry, Central China is expected to demand 2,500,000 tan, leaving 3,000,000 tan available for exporting to Japan.

Encouragement and experimental facilities: With the unrestriced support of the Japanese authorities, the Provisional Government of Peking is working assiduously to complete its organization for the encouragement of the cotton industry, and other organs connected with the cotton policy. The various organizations are outlined briefly below.

1. North China Cotton Industry Association: The membership of this organization is composed of prominent Hopei, Shantung, and Shanhsi men in the cotton industry and reorganized groups of provincial cotton-encouragement organs, and has its headquarters in Peking. For some time in the past the provisional government has given assistance in the promotion of enterprises, financing and supervision in Shantung, Hopei, and Shanhsi Provinces. This organization is semiofficial in nature and is a juridical person of the Chinese Republic. Its capital is subscribed jointly by the Government and by the Japan-China Spinners' Association. It has invited Japanese experts to supervise cultivation, improve quality, and to increase output. Through the Rural Agricultural Associations it distributes seeds of improved varieties, supervises cultivation, and makes advances to those in need of funds.

2. North China Cotton Co.: This organization was formed at Tientsin last spring as a cotton-purchasing firm under the joint auspices of the Japan-China Spinners' Association and the Cotton Industry Association. At present it owns three press factories and engages in the distribution of seeds and the financing of rural cotton-raising communities, but since its small capital of 3,000,000 yuan tends to limit its sphere of activities preparations to increase it to 40,000,000 to 60,000,000 yuan are now under way.

Agricultural experiment stations in North China: The experiment stations dealing with cotton and other agricultural products that have existed from pre-China incident days are listed in the following paragraphs.

1. Tsung-hsien Cotton Experiment Station: This experiment station is located to the east of Peking and was founded by Yin Tung, chief of the former Pei-Ning Railway Bureau, who with the assistance of the Japanese (especially Dr. Yoshida) created the experiment station under the management of the railway in 1934. The services of a Manchurian expert (Mr. Iwasaki) were acquired from the S. M. R. which has operated a long string of experiment and encouragement institutions. This expert selected the most suitable site for the purpose and with the completion of the buildings, the station was ready for real work in 1935.

Since the foundation of the station up to the outbreak of the China incident a total of six Japanese instructors and experts have been dispatched but two out of this group gave their lives to their cause, the weather conditions being disagreeable. Thanks to the untiring services of the other four pioneers of peaceful industrial development and to the generous efforts of Chinese assistants good progress was made, but unfortunately a brutal fate had to befall upon all of them in the form of bloody Tsungchow massacre carried out by the Chinese soldiers. The loss of these men is a grievious matter for the Chinese themselves.

Since then more earnest assistance has been given by Japan and 14 Japanese experts (S. M. R. men) detailed to the station in November 1937, have carried on the work, while buildings and lands have been readjusted and a new entomology section created. Twenty-one Chinese who are cooperating heartily in the work have been added to the staff.

Today this station is carrying on experiments to produce high-grade seeds and to improve cultivation methods, while fertilizers and irrigation matters are also receiving due attention. In addition wheat, kenaff, and other grains are being studied, and the eradication as well as the prevention of insect pests are occupying much of the experimenters' time. The benefits which the general farmers of north China will shortly receive from the enthusiastic work of the station will be great indeed.

2. Peking Municipal Agricultural Experiment Station: 64 chobu of land (1 chobu is equal to 2.45 acres or 99.17 ares). Director, mayor of Peking; 6 sections.

3. First provincial agricultural experiment station of Hopei at Tientsin: Yearly expenditure, 4,000 to 6,000 yuan; 10 persons on staff.

4. Hantan second station: Yearly expenditure, 4,000 to 5,000 yuan; personnel, 8.

5. Tsohochen Third Station: Personnel, 8; yearly expenditure, 4,000 to 5,000 yuan.

6. Titan Fourth Station: Annual expenditure, 3,000 yuan; personnel, 6.

7. Linfen Cotton Experiment Station: Unknown.

8. Linching Cotton Experiment Station: Unknown.

9. Chengting National Cotton Experiment Station: Unknown.

10. Tsitung National Cotton Experiment Station: Unknown.

11. Tsinan Agricultural Experiment Station: Unknown.

12. Ting-hsien Experiment Station for Public Enlightenment.

With the outbreak of hostilities the responsible persons of these experiment stations fled into safer regions carrying with them all valuable material and documents. Then came the anti-Japanese elements who utilized these stations for military purposes and left only the wrecks as reminders of what had existed before. No information regarding these stations was available under such conditions but with the coming of the Japanese anything that can still be used is being put in order. Before long the former stations will be in working order again.

The above-related policy of the Government to increase cotton production is presently marking time, awaiting the full adjustment of the encouragement organs and institutions but upon their completion the plan will be pushed enthusiastically to the limit. From the very beginning the Japanese Nation has given substantial assistance toward the materialization of the plan. The Ministry of Overseas Affairs purchased in the spring of this year 1,000,000 chin (a load for 68 freight cars) of improved Chosen upland cotton seeds and through the provisional government distributed them free of charge to north China farmers. In addition, experts and instructors have been sent to north China and Chinese employees are being given training in the field. In truth the Japanese are giving all the assistance and help that they can give. On the other hand the Peking Provisional Government is doing its part, if not more. Fully realizing the importance of cotton, it is contemplating the creation of a central organ to deal with everything that has to do with cotton, and to entrust to this organ the work of promoting and encouraging cultivation, experimenting, and the purchasing of produced cotton. Of course, separate organs will take care of the functions just listed, but they will be incorporated in the central organ. All these activities will help to bring about the speedy realization of the large-scale cotton production program which all circles concerned have placed much interest and expectation.

S. OKADA.

NOVEMBER 1938.

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

Mr. SCHWELLENBACH. I yield.

Mr. KING. I am sure the Senator if he will expand the argument will contend that we do have interests aside from trade relations in China. First we have the open-door policy under which we have moral as well as material interests in China. We have property rights there, we have schools, hospitals, eleemosynary institutions, and have treaties with China under the terms of which through reciprocity we have interests there as well as China having trade relations with the United States.

Mr. President, it seems to me the Senator, if he has not already done so, could very properly expand to show that we do have interests in China, spiritual interests, moral interests, educational interests, property interests, all of which Japan is attempting to destroy, and to assert, as the Senator has contended, that dictatorial, autocratic control over the entire territory and domain of China.

Mr. SCHWELLENBACH. I may say to the Senator from Utah that I did develop that from all except one point of view, and that is actual investments in China.

I leave that out deliberately—perhaps not properly. The Senator knows that any time we talk about investments in foreign countries somebody makes a speech saying that we do not want to do anything to protect the Standard Oil Co. in China. We were not even very much outraged about the *Panay* incident because of the fact that there were some Standard Oil tankers about. I wish to eliminate that part of the argument entirely; and in a desire to eliminate it I have omitted it from my discussion on this question.

However, on the question of future possibilities, and what we may lose as a result, assuming that Japan succeeds in conquering China, I wish to read from two articles. The first is a speech delivered in Washington at the Mayflower Hotel by Mr. C. H. French, of Shanghai, who was vice president of the Chinese-American Foreign Trade Council, based upon knowledge acquired through years of business connections in the Orient. He said:

The potentialities of China are so great as to justify the prediction that, if permitted to retain her sovereignty as contemplated by the nine-power treaty she will within the next generation eclipse every other nation in the world as a market for United States products, * * * and a steady export trade to the value of $750,000,000 per annum, to say nothing of the enormous quantities of capital goods which will be required of us in the meantime while the intensive construction program is in process. Our greatest all-time customer in the past has been the United Kingdom, where we now have a well-established market in excess of $500,000,000 a year. America stands ready to fight, if necessary, to protect that trade with Great Britain. Does not every consideration of self-interest demand that we protect our trade with a country which, if permitted to retain its sovereignty, is destined to become our greatest all-time customer of the future?

Her area is greater than that of the United States; her population is in excess of 450,000,000; her natural resources are enormous; her projected industrialization as planned by her Government is on a scale comparable to that which has characterized the development of our own country west of the Mississippi since the completion of our first railway to the Pacific.

The Government of China is now headed by a group of able Chinese who are sincerely devoted to the task of securing for their country a worthy and honorable position in the family of nations. In this connection it is pertinent to call attention to the appeal formulated by the Japanese Chamber of Commerce at Shanghai early in 1937 beseeching their Government and the Japanese people to change their attitude of hostility toward China for one of peaceful cooperation in recognition of the tremendous progress made by the Chinese in political unity, financial rehabilitation, and economic advancement.

ARTICLE BY ARNOLD

In addition, Mr. President, I wish to read briefly from an article written by Julean Arnold, for many years a commercial attaché in the Far East—a man who has had probably as frequent contacts with problems of a commercial nature as any man in the United States. I call the attention of the Senate to some of the facts pointed out by Mr. Arnold.

So far as railroads are concerned, he points out that China has only 10,000 miles of railroad, as compared with our 250,000 miles. She needs within the next 10 years, if the war should be ended, 50,000 miles. For each thousand miles of railroad she would need $50,000,000 worth of equipment. She would need the facilities of our railroad organization. The construction of 50,000 miles of railroad would mean the use of 100,000,000 wooden ties. We in the Pacific Northwest, with our lumber industry, should at least be interested in the possibility of that sort of an outlet for our products.

During the past decade China has constructed 60,000 miles of highways. Prior to that time she had no roads usable for automobiles. She now has about 75,000 motorcars, of which 80 percent are constructed in the United States. If she could be permitted unmolested, under her new leadership, to develop herself economically, the automobile industry of this country would receive the benefit.

She has installed a network of air lines, making it possible to cover important cities. In 1936 they carried 27,000 passengers. She needs further air lines and further air equipment, which would come very largely from the United States.

During the past 10 years more cities and towns were reconstructed in China than in any other country in the world for a similar period.

Nanking, China's new capital, exhibited a most active building program and was destined, except for the war, to become one of the world's most beautiful capitals. The population of Nanking increased from 350,000 in 1925 to 1,100,000 in 1937. The material for the further development of that city would come from the United States. Mr. Arnold says:

A China free to work out her own destiny would undoubtedly offer opportunities which, within a decade or two, would surpass those of Japan and most other countries, giving us an export trade with China probably tenfold that of the year 1936.

Thus at the beginning of 1937, America was just at the threshold of realizing in a big way on the potentialities in China's vast modernization program.

What country is better prepared financially to step in and realize upon China's potentialities than America? Shall we make credit advances to China for constructive developments and thereby conserve our future on the Pacific, or shall we make these funds available to Japan to further the ambitions of her military overlords and thereby jeopardize our entire future on the Pacific?

I now ask unanimous consent, Mr. President, that the article by Julean Arnold be printed in the RECORD at this point in my remarks.

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

CHINA'S FAITH AND AMERICA'S FUTURE

(By Julean Arnold)

Americans are mainly interested in the present struggle in Asia because of its possible effects upon them. Japan's invasion of China is the most appalling tragedy in all of human history, because it was launched at a time when that most populous of nations was at the very threshold of a huge constructive modernization program. When one of our outstanding American journalists tells his radio audience, as one recently did, that China has made no progress during the past 20 years, it is time that someone who knows better stepped forward and gave the facts. After serving my country for 37 years in China and Japan, I have had an opportunity to see, hear, and learn much. I shall now attempt to present frankly my views upon the situation, as I believe it affects our people and our country. I am presumptuous enough to hold the opinion that in any presentation of statistics regarding trade and economic conditions in China and Japan, one would be stupid indeed were he not to use great care intelligently to interpret them for otherwise they might be very misleading.

WHAT WERE THE CONDITIONS IN CHINA BEFORE THE JAPANESE INVASION?

"The National Government in China is now completely secure with capable hands in control of the nation's finance and economy."

"China's financial structure has become firmly laid as has been proved by the considerable improvement in her international payments."

A British journalist in Shanghai some years ago accused me of being an incurable optimist regarding China. Had the above statements been imputed to me, they might have elicited no surprise. Certainly very few people would have expected sentiments of this sort from a Japanese. They are, nevertheless, taken from a report of Mr. Seiji Yoshida, chairman of the Japanese Chamber of Commerce and Industry in Shanghai and manager of the Mitsubishi Bank in Shanghai. The report as broadcasted through the press of the Far East emanated from Tokyo under date of March 1, 1937. This news item further states:

"Pointing out the strengthening of the Chinese Government, Mr. Yoshida believes the present is an opportune moment for the Japanese Government and people to rectify their erroneous China policy as hitherto employed;" and

"Regarding the much-talked-of economic cooperation between the two countries as is being followed by Japan, Mr. Yoshida said that this would be possible only as long as China remains a semifeudal, semicolonial state, but China's political and economic progress in recent years has been rapid, and the Chinese people have been earnest in working out their destiny."

This news item makes no mention of any comments by Mr. Yoshida on communism in China, undoubtedly for the reason that he realized, as did all unbiased observers, that communism in China had by 1937 just about spent its force and was no longer a matter of serious concern to those interested in China's modernization.

WHAT WERE AMERICA'S PROSPECTS IN CHINA BEFORE THE JAPANESE INVASION?

No other country on the face of the earth had made such phenomenal strides in modernization as had China during the past 10 years. These presaged big potentialities in the trade of the future. They spelled a transition in imports from consumer to capital goods. They indicated manyfold increases in the country's imports. Those with vision appreciated their significance in its extensive ramifications. Mr. Yoshida and his colleagues sensed this when they made their report. They appreciated the potentialities in trade which a self-rejuvenated China could offer. Now, what about the possibilities of realizing on those potentialities? To be specific, let us consider this subject under definite concrete subtopics:

Railroads: China has but 10,000 miles, compared with America's 250,000 miles.

During the past few years China rehabilitated existing lines and was engaged in construction of several thousand miles of new railways.

China is the only country still needing as much as 50,000 miles.

For each 1,000 miles of railroads, $50,000,000 worth of equipment is needed.

The country has the experienced railroad engineers and operators necessary for handling its railroad problems.

Chinese bankers were participating in financing railroad construction.

Great Britain, France, Germany, and Belgium eagerly signed loan agreements for the construction of new lines under Chinese auspices,

stipulating that materials must be purchased from their respective nationals.

Export-Import Bank, Washington, was prepared to negotiate credits for the several hundred million dollars for American materials, bringing big trade opportunities to American manufacturers and labor.

Sales of railroad equipment to China represent mainly manufactured goods and no war materials. The construction of 50,000 miles of railroads means the use of 100,000,000 wooden ties. This prospect is of special interest to our Northwest lumber interests.

Highways: During the past decade China constructed 60,000 miles of highways, mostly in sections of the country which previously had had no roads.

About 80 percent of the 75,000 motor cars in China are American.

Further plans embraced several hundred thousand miles with provision for coordination with railroads and waterways.

A prospering China will need millions of motor vehicles for the highways necessary to her economic transportation.

Waterways: The improvement of China's waterways was well advanced by 1937.

Existing steamship lines were reorganized and improved.

Schools were established in China for training personnel for the new fleet.

China had purchased new steamers from England. She was preparing to negotiate for the purchase of American ships.

Airways: China had installed a network of air lines, making it possible to cover all important cities by regular schedules. In 1936 they carried 27,000 passengers.

A Chinese-American company occupied an important place in commercial aviation, operating about 3,000 miles of lines on a profitable basis and was prepared to extend its operations and equipment several fold.

American equipment and personnel were outstanding factors in China's airways.

China completed airway connections with America, England, and France.

Telegraphs, telephones, and radios: Wireless-telegraph stations were installed in the principal cities.

Radio telephone communications were opened with America May 1937.

A network of long-distance telephones was completed connecting important cities, although the total number of telephones was only 250,000.

Largest telephone company in China is an American concern in Shanghai.

Radio broadcasting stations were installed in important cities. America occupied first place in the supply of radio equipment.

Industrial developments: China made greater progress in the installation of modern industrial plants during 1936–37 than at any other time in her history.

Throughout the interior smokestacks vied with pagodas for a place in the sun of new China.

Among the larger industries were: Cotton spindles, 5,000,000; looms, 50,000; flour mills, yearly capacity, 25,000,000 barrels; cigarette factories, yearly capacity, 80,000,000,000. The largest electric-power plant, with 300,000-kilowatt capacity, is American owned.

The imports of industrial machinery and equipment presented prospects for ever-increasing sales of American-manufactured goods and promised steadily rising economic levels among the masses in China, hence increased purchasing power.

Building construction: During the past 10 years more cities and towns were reconstructed in China than in any other country in the world for a similar period.

Nanking, China's new capital, exhibited a most active building program and was destined, except for the war, to become one of the world's most beautiful capitals. The population had increased from 350,000 in 1925 to 1,100,000 in 1937.

With the beginning of 1937, China embarked upon a modern building program, offering well-grounded hopes for big sales of American building materials, heating, lighting, ventilating, and air-conditioning equipment.

Agricultural developments: With 80 percent of China's population rural, agriculture is of prime importance.

Improvements among rural masses during the years 1932–37 were a striking factor in effectively combating communistic activities.

The installation of credit cooperatives, giving farmers money at 8 percent annually instead of the former 2 and 3 percent a month, was of outstanding significance.

Better conditions among the masses were reflected in steadily increased purchasing power.

Financial betterments: With the beginning of 1937 China was definitely headed for currency stabilization, uniform currency throughout the country, and adequate provision for refunding her outstanding foreign and domestic loans.

Improved national credits were evidenced by the resumption of foreign loans and credits by foreign countries, especially in long-term credits to government organs for constructive projects.

The American silver policy which forced China onto a managed-currency basis with notes of the Government banks as legal tender proved helpful to China's financial reorganization. It represents the most helpful contribution to the country in its present crisis as it enabled China to establish substantial credits abroad through her nationalization and exports of silver.

Political conditions: Following the revolution of 1911 China suffered serious internal disruptions for two decades, but by 1930 conditions began definitely to improve and by 1937 national unification became a reality.

The restoration of confidence in the central government was evidenced by the increasing support of the country's bankers in constructive development projects.

Foreign trade: Had China been privileged to execute her modernization program upon which she was so well embarked in 1937, she would have startled the world by the huge volumes of foreign trade which would have followed in its wake. It portended a vastly greater emphasis upon capital goods, which were destined for constructive purposes.

Salient facts in America's trade with China: During the 5 years preceding 1937, America led in both China's exports and imports, taking about 30 percent of the former and selling about 20 percent of the latter.

Our exports to China represented mainly manufactured products and agricultural commodities.

Our imports from China, which amounted to upward of $100,000,000 a year, represented mostly raw materials or semimanufactured products, hence were essential to our manufacturing industries.

Invisible items in our trade with China include banking, shipping, insurance, tourists' expenditures, missionary and Government expenditures, the maintenance of American business and industrial concerns in China, and American investments.

The aggregate of American investments in China are about $250,000,000, including about $50,000,000 in missionary and other eleemosynary institutions.

American trans-Pacific steamship companies early in 1937 reported the most encouraging outlook for years, especially in the American tourist trade.

In 1937 there were about 12,000 Americans resident in China, including about 4,000 resident in Shanghai.

American business houses, American schools, American missionaries, and other American institutions and organizations all contribute toward the popularizing of American goods, American methods, and American ideas, among the Chinese people.

American motion-picture films have been an important factor in popularizing things American. About 80 percent of the imported films are American.

With the severance of Manchuria from China, our import and export returns with China were considerably reduced.

Our 400 American concerns in China were unanimous in early 1937 in proclaiming that the country presented the most hopeful outlook ever offered, with prospects for a record year and still better opportunities for succeeding years.

A China free to work out her own destiny would undoubtedly offer opportunities which, within a decade or two, would surpass those of Japan and most other countries, giving us an export trade with China probably tenfold that of the year 1936.

Thus at the beginning of 1937, America was just at the threshold of realizing in a big way on the potentialities in China's vast modernization program.

What country is better prepared financially to step in and realize upon China's potentialities than America? Shall we make credit advances to China for constructive developments and thereby conserve our future on the Pacific, or shall we make these funds available to Japan to further the ambitions of her military overlords and thereby jeopardize our entire future on the Pacific?

WHAT WERE JAPAN'S PROSPECTS IN HER TRADE WITH CHINA BEFORE THE HOSTILITIES?

Mr. Yoshida is quoted as stating in his report as mentioned above:

"While other foreign powers are trying to create new opportunities to meet the new situation in China, Japan has remained inactive. Japan must henceforth discard her vigorous China policy and adopt one that is morally acceptable to the Chinese Government and is practical. It is absurd that Japan has always charged China with insincerity or befriending other foreign powers to antagonize Japan, for which Japanese diplomatic and other Government authorities must be held partially responsible."

During the years immediately preceding the Japanese invasion, Japan's trade with China was on the increase, even discounting the smuggling trade in north China which did not enter into the returns of the Chinese customs. Had Japan followed the advice of her chamber of commerce at Shanghai and pursued a policy of friendly cooperation, it is patent that the Chinese were prepared to accord Japanese trading, industrial, and financial interest, opportunities equally as good as those accorded other foreign nations. For instance, the Chinese Government expressed a willingness to negotiate credit-loan agreements with the Japanese for railroad construction on terms similar to those offered other foreign nationals. However, Japan's military overlords demanded a degree of supervision over the construction and operation of these lines, which was repugnant to an independent China naturally set upon the preservation of her territorial integrity and sovereign rights.

Furthermore, it is more than probable that if Japan had been prepared to play the game on the basis of a recognition of the policy of the open door, American financiers and manufacturers would have been willing to participate with Japanese in development projects in China. In fact, Japan, with her close geographi-

cal proximity to China and her natural facilities for tapping the Chinese markets, stood to gain by everything which other foreign interests might have done toward stimulating the vast modernization program upon which China had embarked.

WHAT ARE JAPAN'S POLICIES IN THE INVASION OF CHINA?

Prince Konoye, Japanese Premier, August 28, 1937, proclaimed Japan's only course in China is to beat China to her knees so that she may no longer have the spirit to fight. Communism in China had almost spent its force, hence this could not be cited as a legitimate pretext for the invasion.

Japan hopes:

1. By a policy of terrorism to subjugate the great masses in China, and thereby establish a Japanese feudal military overlordship on the Asiatic Continent.

2. To prevent the Chinese from developing the training or equipment for military protection, but to impress into the service of the Japanese armies as much of the Chinese manpower as can be safely and effectively used under Japanese military direction.

3. To set up on the Asiatic Continent a grandiose Japanese military machine in preparation for further conquests in the Pacific and eventually to achieve Japan's so-called manifest destiny to rule the world.

4. To secure monopolistic control of China's economic resources, thereby freeing Japan from reliance on America for cotton, tobacco, iron and steel, heavy chemicals, and certain other essential products. In North China the Japanese are trying to force Chinese farmers to grow American-type cotton even at the expense of cereal production, to guarantee to Japanese mills the needed cotton at prices probably less than half the production costs of cotton in America.

5. To control and direct all modern industrial developments in China, utilizing the greatest manpower in the world on a mere subsistence-wage basis, thereby making possible the flooding of the markets of the world with cheap Japanese-manufactured products.

6. To create in China a monopolistic market for Japanese-manufactured products through a control of all means of communications and through preferential tariffs and marketing facilities.

7. To set up Japanese-controlled regional puppet governments vested with responsibility, but with little or no authority, and answerable to their Japanese military overlords.

8. To eradicate from the Asiatic Continent American and other westernizing influences, substituting the Japanese language for English, and putting into the schools textbooks written in Japan.

9. Under the fiction of relinquishing special Japanese concessions and extraterritoriality, to induce other nations to do likewise and in reality develop China as one huge Japanese concession with Japanese nationals enjoying preferential considerations.

EFFECTS OF JAPAN'S UNDECLARED WAR ON CHINA

Military conditions

[Statistics are estimates for Jan. 1, 1939.]

Number Japanese troops landed in China to date	1,300,000
Number Japanese troops landed in Manchuria to date	300,000
Number Japanese casualties	600,000
Number Japanese killed	250,000
Number Chinese Government troops in the field	3,500,000
Number Chinese guerillas (no estimates available).	
Number Chinese troops casualties	1,500,000
Number Chinese troops killed	600,000
Number Chinese civilian casualties (aerial bombs)	150,000
Number Chinese civilian deaths	75,000
Number Chinese civilians forced to flee before invading armies	40,000,000
Number Chinese civilian refugees in summer of 1938	30,000,000

General effects

Hundreds of colleges, schools, and hospitals, thousands of industrial plants and business establishments, as well as tens of thousands of houses, have been destroyed or occupied by Japanese.

Hundreds of industrial plants, business establishments, and private houses have been appropriated without compensation.

Scores of cities and towns have been looted and hundreds of tons of art treasures shipped to Japan.

In areas occupied by Japanese the Chinese customs revenues are being held by Japanese, and none are released for foreign commitments against revenues. China's financial reforms, which were nearing perfection before the invasion, are now threatened with chaos.

Occupied areas are scoured for metal coins, hence are depleted of silver and copper.

Military notes, irredeemable and inconvertible, in denominations as low as 1 cent, the equivalent of about one-seventh of a cent American currency, are forced on the populace.

Opium shops and narcotic peddlers follow the Japanese armies; hence Japanese collect toll while demoralizing the population.

Wholesale disorder and brigandage are spreading over occupied areas, with general political and economic break-down.

Japanese occupied areas in China at beginning of 1939 (estimates):

(a) Manchuria and adjoining areas, about 580,000 square miles.

(b) Other sections of China, about 390,000 square miles.

(c) Population of occupied areas, 180,000,000 (40 percent of total population).

(d) Percentage of area under Japanese control, 23 percent.

(e) Occupied area includes most of modern industrial plants.

(f) Occupied area includes principal trading ports.

(g) Occupied area includes much rich agricultural and mineral resources.

(h) Occupied area includes two-thirds of China's railway mileage.

Chinese communications in operation, April 1939:

1. China coast ports Ningpo, Wenchow, and Foochow, through which exports, principally tung oil and tea, get out in limited quantities.

2. Yunnan-Haiphong Railway, connecting by highway with Chungking.

3. Yunnan-Burma highway connecting Chungking with Rangoon.

4. Szechuan-Lanchow to Soviet Russia by motor cars and camels.

5. About 200 tons of cargo daily are shipped over routes 2 and 3.

6. About 1,000 tons monthly pass over Lanchow route.

7. The Hunan-Kwangsi Railway in southwest China permits transport across Kwangsi Province to Yunnan.

8. Commercial airplane services maintained between west China points and Hong Kong and Hanoi (Indo-China).

9. Trans-Pacific air service thrice monthly with Hong Kong, thence via Hanoi to Chungking and west China cities.

10. Sino-American airline operates between Yunnan and Burma and between Yunnan and Hong Kong.

11. Radio-telephone services inaugurated between Chungking and Moscow and telecommunications extended throughout Chinese-controlled territory.

12. The most powerful broadcasting station in the Far East is at Chungking, the present temporary capital of China.

Industrial conditions beginning 1939:

1. In Manchuria emphasis is placed upon projects essential to war industries.

2. In Japanese-occupied areas Japanese have destroyed or taken over principal Chinese industrial plants.

3. Chinese Government in areas under its control encourages economic self-sufficiency by promotion of "industrial cooperatives" with machinery available and by expanding handicraft industry. Banks are aiding in financing these developments.

4. Significant is the widespread modern economic development in areas under Chinese control, especially in Szechuan, Yunnan, and west China generally, and includes expediting the development of latent mineral resources.

WHAT ARE AMERICA'S PROSPECTS IN CHINA AFTER JAPAN'S INVASION?

Railroads: A Japanized China will build and operate railroads primarily to further Japan's policies of military and economic domination of the Far East, using as soon as possible a maximum of Japanese equipment, even to the extent of tapping the stands of timber in Manchuria for ties or sleepers. Although we may be offered some alluring initial orders to secure our financial backing, yet as soon as Japan gets her financial wind, we shall have very soon to be content to take the crumbs that drop from the master's table and these will get drier as time goes on. Japanized railroads will be so operated as to give preferential consideration to Japanese trade and other Japanese interests.

Highways: Roads will be built as accessory to railroads and waterways and primarily for Japan's military purposes and to further her plans for tapping the economic resources of China. As for equipment, American branch plants in Japan may, for some years, be permitted to supply cars, but all accessories will be manufactured by Japanese concerns. In fact, Japan is already engaged in developing a plant in Mukden for the manufacture of motor cars and trucks.

Waterways: The Japanese flag will enjoy enclusive privileges on the inland waterways and coastal trade of China, under a Japanized China. Vessels will be built in Japanese shipbuilding plants. Through the control of all internal water routes, Japan will have a stranglehold on the trade and economic developments of China.

Airways: American participation in the operation of China's commercial aviation will cease immediately under a Japanese-dominated China. Japan will dictate the terms under which we shall be permitted to operate our trans-Pacific air clippers in making connections with China, and if possible, other sections of the Far East as well. A minimum of American equipment will be purchased, the quantities decreasing as Japan is able to produce her own airplane industry.

Telegraphs, telephones, and radios: With a Japanized China, American equipment will become as rare as snow on the streets of San Francisco. Broadcasting will be censored so that China will be fed what "Master" Japan wants to give her, and send out what he wants her to say.

Industrial developments: With a Japanized China, here is where America will be hoodwinked into believing that she is going to get some good business. Exacting long-term credits, Japanese will take American machinery but only to build up industries whereby they may use Chinese labor on mere subsistence wages, so as to outdo the rest of the world in production costs and then flood the world with their cheap-manufactured products. We shall then be faced with a real "yellow peril." Thus, we shall be invited to furnish capital and equipment to help Japan undermine our wage scales and standards of living. Furthermore, Japan will be especially concerned with building up her war industries on the Asiatic Continent, so that we shall be asked to help finance these, as we have been helping Japan to build up her war industries in Manchuria. What sort of investments will these present for American capital?

Trade and cultural stakes: Following the outbreak of hostilities, several thousands of Americans were evacuated from or had to

leave the country because of the Japanese invasion. Huge quantities of American cargo destined to China had to be diverted. American properties in China have been destroyed or occupied by Japanese armed forces. In fact, foundations in trade and cultural contacts built up after decades of labor and with outlays of hundreds of millions of dollars are being destroyed by this undeclared war on China.

The $250,000,000 in American investments in China under a Japanized China will be threatened with extinction. By forcing exports and imports in China to be handled through Japanese concerns, our banks, insurance companies, steamship companies, and other servicing organizations now constituting important items in our invisible trade will leave to do what our companies in Manchuria did, namely, to get out.

The losses, direct and indirect, to American interests will aggregate more than the total of our trade with Japan for some years.

America has been toboganned from first to third place in China trade, with heavy reductions in both exports and imports.

America has depended upon China for large quantities of materials which enter into her manufacturing industries, such as tung-oil for our varnish; bristles for our brushes; vegetable oils for our cooking, fats, and soaps; wool for our carpets; goatskins for women's shoes; antimony for type and babbitt metals; tungsten for high-speed machine tools and electric-light filaments; and tin for our tinned plate. We were her best customer, taking 30 percent of her exports. Japan aims to secure control of these commodities, purchase them with fiat money, force us to buy them with good American money, and pay tolls to Japanese brokerage houses, Japanese banks, Japanese insurance companies, and Japanese ships. She may even force us to take them in processed form if she chooses.

Japan's plans for the increased production of American-type cotton and leaf tobacco in China, if successful, spell the doom of our former lucrative trade in the Far East in these commodities. Japan will be able to force the Chinese at the point of the bayonet to raise American-type cotton at 3 or 4 cents a pound. Recent news flashes from China inform us that the Japanese authorities plan to rush their cotton-production program by making cotton planting in North China compulsory, while attempting to prohibit the planting of cereals, counting upon Manchuria to supply the latter to North China.

Through the use of their Federal Reserve Bank of China notes, which are inconvertible and irredeemable, the Japanese are shutting out American competition in imports and exports in Japanese-controlled areas.

Through preferential tariffs, transportation and travel facilities, and currency-exchange manipulations, Japanese traders and goods are forcing Americans and American commodities out of the market. Her policies threaten the elimination of the American mercantile marine from the Pacific.

Through the control of the telegraphs, posts, and all other means of commmunication, Japan will set up annoying barriers against American contacts with China.

Anti-American propaganda is being broadcast in Japanese-controlled areas for the purpose of killing the effectiveness in American trade and other relations of American-educated Chinese and those friendly with our institutions, goods, and methods.

The appalling destruction of property and lives has reduced the purchasing power of the population, curtailing seriously import possibilities for American goods, which in China sell on a quality basis.

By the wholesale operations in China of Japanese opium and narcotics vendors, our difficulties in shutting out narcotics from our country will be multiplied very considerably.

IS AMERICA AN ALLY OF JAPAN?

While public opinion in America sympathizes with China's cause in the defense of her country from foreign invasion, yet as circumstances have developed, we actually find ourselves rendering far more material aid to Japan than to China. The vast bulk of our exports to Japan during these past few years have been in war materials or commodities which figure in Japan's war industries. A recent United Press news item from Tokyo informs us that 10,000 taxis have been taken out of service in Tokyo alone, while private owners of cars are limited to 1½ gallons of gasoline daily, so rigid are the rations of materials used for the prosecution of the war. In Japan's needs for iron, it states cast iron and rubber splash guards have been taken off automobiles, and bicycles no longer have tin license plates. Efforts are being made to substitute porcelain for iron for mail boxes. In the same way, the Government control of textiles has reduced purchaseable linen, woolen, and cotton almost to nothing.

Some have boasted of our increased imports to Manchuria during these past 2 years, but reports from official sources from Manchuria show that nearly all of the exports are for war industries. Thus during these last few years comparatively little of our exports to Japan, which roughly total about $300,000,000 annually, are other than war materials.

If one were to follow the Japanese armies in China and witnessed all the American-mechanized equipment, he might think, except for the personnel, that he was following the American armies.

By the purchase of Chinese commodities from Japanese concerns in the Japanese-controlled areas we are helping further to assist Japan in the purchase of war materials. She buys these products with irredeemable and inconvertible paper, or fiat money, and we have to pay American money, thereby helping her to establish credits abroad.

It is estimated that there are being sent back to Japan annually by the 280,000 Japanese resident in America upward of $20,000,000. Thus we are furnishing this Japanese population in our country with opportunities for the accumulation of surpluses from their earnings which contribute substantially to the country's war chest. On the other hand, Americans resident, or having interests in Japan or Manchuria, are forbidden by the exchange-control laws from sending any money from those territories.

Japanese are permitted to flood our country with tons of propaganda, to broadcast over our radio, and to send their spokesmen around pleading Japan's cause, while we are prevented from the opportunity of presenting to the Japanese people our interpretation of our views and our interests in the China situation.

The longer we delay taking positive action to protect our interests in Asia and the Far East the more difficult will become the task, because the more deeply the Japanese penetrate China the larger the sources of supply upon which she will be able to draw for assisting her in carrying on her war.

SUGGESTED COURSES OF ACTION OPEN TO AMERICANS

Whereas Japan has violated the Nine Power Treaty and the Kellogg Pact, and whereas America enjoys extraterritorial rights in her treaty with China which impose on her certain responsibilities to her nationals, which she is now unable to discharge because of Japan's undeclared and unprovoked war on China, therefore it is proposed that we institute certain reprisals against Japan in our efforts to protect our rights and interests in China. Among the suggested reprisals which may well receive consideration are the following:

1. Devise some method of effectively controlling the flow of American war materials to Japan.

2. Study carefully America's needs in essential war materials in case of emergency demands, so as to safeguard our country against the depletion of stocks necessary for our own armaments.

3. Impose prohibitive import tariff duties on commodities imported primarily from Japan. In this connection an import tariff of one or two hundred percent on raw silk, which constitutes over 50 percent of our imports from Japan, may prove quite effective in curtailing this trade.

4. So long as Japanese military or other organizations continue to occupy American premises in China without due compensation or permission, consider some such reciprocal action as the closing down of Japanese-language schools in our country. There are 189 of these in the Hawaiian Islands.

5. In order to help Americans in their purchases of Chinese commodities in Japanese-controlled areas, require that purchases of Chinese commodities be accompanied with consular certificates showing that they were financed through American-currency transactions, with no discriminations against American buyers.

6. So long as the Japanese refuse to allow the free passage of American commodities in the waterways of China and embarrass our American concerns operating in China through the imposition of disastrously discriminatory treatment, which in some cases amounts to confiscation, restrict Japanese ships in their use of American harbors.

7. So long as Americans in Japan and Manchuria are prohibited from sending money from those countries, devise some method of making it difficult to send money from America to Japan.

8. Discountenance American manufacturers and bankers extending credit accommodations to Japan while Americans are discriminated against in trading in China.

9. Insist that American manufacturers do not shift the handling of their business in China from American to Japanese houses.

10. Encourage American manufacturers and exporters to organize export syndicates effectively to prevent Japanese importers and exporters from operating under monopolistic conditions, playing one concern off against another.

11. So long as Americans are not privileged to send material into Japan to enlighten the Japanese people concerning the situation in China affecting American interests, prohibit Japanese propaganda from being disseminated in the United States.

12. America and American broadcasting stations should be prohibited from receiving Japanese broadcasts while American broadcasts are not received in Japan.

13. So long as Japanese in China censor American mail and other communications going into Japanese occupied areas, institute a censorship on mail and other communications coming into America from Japan and the Japanese-occupied areas in China.

14. Extend credit facilities to China for the purchase of American commodities, as one way of helping the Chinese to make their defense effective. A loan of a few hundreds of millions of dollars at this time would be tantamount to insurance on a Pacific peace policy. In this connection, the facilities of the Export-Import Bank should be extended to make the advancement of these credits possible.

HOW IMPORTANT ARE OUR RESPONSIBILITIES AS A PACIFIC POWER?

Much has been said in the past about an impending Pacific era. Few of our people now realize that with Japan's invasion of China, which is in fact one of the most momentous events in all of history, the Pacific era has been ushered in. It is here. Henceforth, what may transpire in this section of the world is likely to be of even greater concern to us as a nation than what may happen on the other side of the Atlantic.

America is essentially more of a Pacific than an Atlantic power. It is feasible to construct a bridge across the Behring Straits whereby it may be possible to drive our motorcars across onto the Asiatic Continent. In fact, the shortest distance from St. Louis in the Mississippi Valley to Hankow in the Yangtze Valley is along the great circle traversing the Behring Straits. Furthermore, we have a greater Pacific coast line than has any other occidental nation.

Modern means of communications have brought our Asiatic neighbors into a stone's throw of us. We can now hail them across the water. We cannot any longer build up walls of isolation shutting us away from the rest of the world. The Pacific Ocean is no longer a formidable barrier separating us from the Far East—better now called the Far West.

Many Americans with little background in things Japanese but prominent in our business, industrial, professional, and other walks of life have visited Japan, and their Japanese hosts found it easy to fit them with Japanese glasses and ear trumpets, which enable them to see and hear the Japanese versions of Far Eastern matters. Some of these, after returning to America, continue to wear these Japanese glasses and ear trumpets, indicating quite clearly that our whole educational system is at fault in not furnishing our people with the means of a good education in the fundamentals of the civilizations and institutions of these important Asiatic peoples.

We have spent hundreds of millions of dollars and sent tens of thousands of our nationals to China and Japan in efforts to carry American ideals and ideas to the Far East. Millions of Chinese and Japanese speak, read, and write English and understand us and our institutions. How many Americans are there who possess a substantial knowledge of China and Japan and understand the psychology of the Chinese and Japanese?

Japan moved into Manchuria, a territory larger than Germany and France combined, and now threatens to occupy an area greater than the United States with a population nearly three times larger, yet we show more concern over the taking of a few hundred square miles in Europe by a European power than we manifest toward what constitutes a major threat to our entire civilization.

If Japan succeeds in her conquest of China, she will not stop there. Her occupation of Hainan Island and the Spratley Islands indicates that she has greater ambitions. She aims to set herself up as master of the Pacific. How long will it be before she will, with 150,000 Japanese in the Hawaiian Islands, demand that the Japanese flag be hoisted over this important American outpost in the Pacific?

Japan has exhibited a persistent interest in the rich fishing resources in the Alaskan waters. How long will it be, should she succeed in her ambitions on the Asiatic continent, before she pushes her fishing fleet into our northern waters and begins colonization in Alaska?

There are 140,000 Japanese on our mainland, mostly on the Pacific coast. In Los Angeles alone there are in so-called Little Tokyo 40,000 Japanese. Should Japan succeed in her military domination of the Far East, how long will it be before she will make demands that our immigration bars be let down still lower? While we are quite willing to continue to permit Japanese merchants, students, and travelers admission into our country, we feel the necessity of safeguarding our standards of living against the influx of hordes of laborers on low economic levels.

In January of 1929 Mr. Sado Saburi, the Japanese chargé d'affaires in London, was quoted in the Shanghai press as having given utterance to the following sentiments:

"There are those who think that a stage has been reached in the life of Japan when she must decide whether she shall throw in her lot with the East or West. The idea is manifestly one which presupposes antagonism ultimately leading to conflict between the two civilizations and is comprehensible only if one tolerates the policy of a 'yellow peril.' It is, however, entirely too narrow in its conception and far too terrible in its potential consequences to merit consideration by Japan, who in her pursuit of the goal of enduring peace and the continuous advancement of mankind aspires to serve as a link connecting and harmonizing the civilizations of the East and the West."

Taking these sentiments, along with those of Mr. Yoshida as quoted in the earlier part of this article, one must be convinced that there are Japanese who think very differently from their military leaders, who are now dictating their country's policies. Were Japan's destinies entrusted to those possessed of these forward-looking sentiments, we should have good reason then to be optimistic regarding the prospects of developing policies of peaceful cooperation with our neighbors on the Pacific. But in our ignorance and apathy we have thus far chosen to give our material support to Japan's militarists, who are obsessed with the ambition to set themselves up as military masters of Asia and of the Pacific, preliminary to world domination, all of which is in keeping with what they are taught to revere as Japan's "manifest destiny." Shall we not, if we continue our drifting policies, invite the annihilation of our standards of living and our democratic institutions?

Pasadena, California, April 22, 1939.

NOTE.—The above summary of conditions in China concerning America and American interests was compiled by Julean Arnold while on an extended leave of absence in this country. The opinions and sentiments expressed are personal and are not intended to imply a reflection of the ideas or opinions of any of our Government departments or representatives.

Mr. President, on June 1, I introduced the joint resolution to which I have referred; and during the remainder of my discussion I wish to discuss the joint resolution. I now ask unanimous consent that the joint resolution be printed in the RECORD at this point in connection with my remarks.

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

Resolved, etc., That in compliance with our treaty engagements, and to conserve our resources for national-defense purposes, there shall be retained within the United States, and denied export therefrom, all goods, wares, merchandise, munitions, materials, and supplies of every kind and character, except agricultural products, which there is reason to believe will, if exported, be used, directly or indirectly, in violation of the sovereignty, or the independence, or the territorial or administrative integrity of any nation, whose sovereignty, independence, and territorial and administrative integrity the United States is obligated by treaty to respect.

SEC. 2. The President shall issue from time to time as may be necessary public proclamations specifying articles and materials to be retained within the United States and denied export therefrom under this act, and the extent to which and the terms and conditions under which such articles and materials shall be so retained and denied export. Any such proclamation shall become effective on the date specified therein.

SEC. 3. Any proclamation issued under section 2 of this act, together with a statement of the facts upon which it is based, shall be transmitted by the President to the Congress forthwih, or, if the Congress is not in session, at the beginning of the next session. If the Congress shall thereafter disapprove of such proclamation by concurrent resolution, such proclamation shall not be effective after the date of such concurrent resolution.

SEC. 4. The President may, from time to time, promulgate such rules and regulations, not inconsistent with law, as may be necessary and proper to carry out any of the provisions of this joint resolution; and he may exercise any power or authority conferred on him by this joint resolution through such officer or officers, or agency or agencies, as he shall direct.

SEC. 5. It shall be unlawful to export, or attempt to export, or in any manner contribute to the export of, any article or material from the United States in violation of the terms or conditions of any proclamation issued under section 2. Any person violating the provisions of this joint resolution or any rule or regulation issued hereunder shall, upon conviction, be fined not more than $50,000 or imprisoned not more than 5 years, or both.

Mr. SCHWELLENBACH. Mr. President, the joint resolution provides:

That in compliance with our treaty engagements, and to conserve our resources for national-defense purposes, there shall be retained within the United States, and denied export therefrom, all goods, wares, merchandise, munitions, materials, and supplies of every kind and character, except agricultural products, which there is reason to believe will, if exported, be used, directly or indirectly, in violation of the sovereignty, or the independence, or the territorial or administrative integrity of any nation whose sovereignty, independence, and territorial and administrative integrity the United States is obligated by treaty to respect.

Mr. President, I read that language because of the fact that the joint resolution is not an embargo against any other nation. It is not an embargo against any particular nation. It is a resolution which does two things:

First, the Nine Power Pact binds our citizens as well as our Government. The resolution prevents our citizens from themselves exporting to any nation goods which will be used in violation of that treaty. Second, the joint resolution is not an embargo against a nation. It is an embargo against goods. Under the provisions of the joint resolution we could send any kind of goods we chose to Japan except goods which were destined to be used for the purpose of destroying the territorial integrity of China. In the joint resolution nothing is said about Japan. It simply says that if any nation uses goods exported by our citizens for the purpose of destroying the territorial integrity of any country the territorial integrity of which we have agreed to respect, we will stop our citizens from exporting them.

As a matter of fact, if we want to be technical about it, its first point of application would be against England and Canada, because a very large part of the goods prohibited from shipment under the resolution are shipped in English and Canadian ships. There is nothing in the joint resolution which compels an embargo against any particular nation or against any goods except those which are intended to be used in violation of our treaty obligations.

After this question arose there was presented the question as to whether or not we had a right to pass the joint

resolution which I described, or the joint resolution introduced by the chairman of the Foreign Relations Committee [Mr. PITTMAN]. The basis of the argument was that in 1911 we entered into a treaty with Japan under which we agreed to give to Japan the same sort of treatment, so far as the export of goods is concerned, as any other most-favored nation.

Mr. President, that treaty was proclaimed on February 21, 1911; and I think it is desirable, in order that the RECORD may be complete, that it be printed at this point in the RECORD.

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

TREATY OF COMMERCE AND NAVIGATION BETWEEN THE UNITED STATES AND JAPAN, AT WASHINGTON, FEBRUARY 21, 1911; RATIFICATION ADVISED BY THE SENATE, WITH AMENDMENT, FEBRUARY 24, 1911; RATIFIED BY THE PRESIDENT, MARCH 2, 1911; RATIFIED BY JAPAN, MARCH 31, 1911; RATIFICATIONS EXCHANGED AT TOKYO, APRIL 4, 1911; PROCLAIMED, APRIL 5, 1911

BY THE PRESIDENT OF THE UNITED STATES OF AMERICA

A PROCLAMATION

Whereas a Treaty of Commerce and Navigation between the United States of America and the Empire of Japan, was concluded and signed by their respective Plenipotentiaries at Washington on the twenty-first day of February, one thousand nine hundred and eleven, the original of which Treaty, being in the English language, is, as amended by the Senate of the United States, word for word as follows:

The President of the United States of America and His Majesty the Emperor of Japan, being desirous to strengthen the relations of amity and good understanding which happily exist between the two nations, and believing that the fixation in a manner clear and positive of the rules which are hereafter to govern the commercial intercourse between their respective countries will contribute to the realization of this most desirable result, have resolved to conclude a Treaty of Commerce and Navigation for that purpose, and to that end have named their Plenipotentiaries, that is to say:

The President of the United States of America, Philander C. Knox, Secretary of State of the United States; and

His Majesty the Emperor of Japan, Baron Yasuya Uchida, Jusammi, Grand Cordon of the Imperial Order of the Rising Sun, His Majesty's Ambassador Extraordinary and Plenipotentiary to the United States of America;

Who, after having communicated to each other their respective full powers, found to be in good and due form, have agreed upon the following articles:

Article I.

The citizens or subjects of each of the High Contracting Parties shall have liberty to enter, travel and reside in the territories of the other to carry on trade, wholesale and retail, to own or lease and occupy houses, manufactories, warehouses and shops, to employ agents of their choice, to lease land for residential and commercial purposes, and generally to do anything incident to or necessary for trade upon the same terms as native citizens or subjects, submitting themselves to the laws and regulations there established.

They shall not be compelled, under any pretext whatever, to pay any charges or taxes other or higher than those that are or may be paid by native citizens or subjects.

The citizens or subjects of each of the High Contracting Parties shall receive, in the territories of the other, the most constant protection and security for their persons and property, and shall enjoy in this respect the same rights and privileges as are or may be granted to native citizens or subjects, on their submitting themselves to the conditions imposed upon the native citizens or subjects.

They shall, however, be exempt in the territories of the other from compulsory military service either on land or sea, in the regular forces, or in the national guard, or in the militia; from all contributions imposed in lieu of personal service, and from all forced loans or military exactions or contributions.

Article II.

The dwellings, warehouses, manufactories and shops of the citizens or subjects of each of the High Contracting Parties in the territories of the other, and all premises appertaining thereto used for purposes of residence or commerce, shall be respected. It shall not be allowable to proceed to make a domiciliary visit to, or a search of, any such buildings and premises, or to examine or inspect books, papers or accounts, except under the conditions and with the forms prescribed by the laws, ordinances and regulations for nationals.

Article III.

Each of the High Contracting Parties may appoint Consuls General, Consuls, Vice Consuls, Deputy Consuls and Consular Agents in all ports, cities and places of the other, except in those where it may not be convenient to recognize such officers. This exception, however, shall not be made in regard to one of the Contracting Parties without being made likewise in regard to all other Powers.

Such Consuls General, Consuls, Vice Consuls, Deputy Consuls and Consular Agents, having received exequaturs or other sufficient authorizations from the Government of the country to which they are appointed, shall, on condition of reciprocity, have the right to exercise the functions and to enjoy the exemptions and immunities which are or may hereafter be granted to the consular officers of the same rank of the most favored nation. The Government issuing exequaturs or other authorizations may in its discretion cancel the same on communicating the reasons for which it thought proper to do so.

Article IV.

There shall be between the territories of the two High Contracting Parties reciprocal freedom of commerce and navigation. The citizens or subjects of each of the Contracting Parties, equally with the citizens or subjects of the most favored nation, shall have liberty freely to come with their ships and cargoes to all places, ports and rivers in the territories of the other which are or may be opened to foreign commerce, subject always to the laws of the country to which they thus come.

Article V.

The import duties on articles, the produce or manufacture of the territories of one of the High Contracting Parties, upon importation into the territories of the other, shall henceforth be regulated either by treaty between the two countries or by the internal legislation of each.

Neither Contracting Party shall impose any other or higher duties or charges on the exportation of any article to the territories of the other than are or may be payable on the exportation of the like article to any other foreign country.

Nor shall any prohibition be imposed by either country on the importation or exportation of any article from or to the territories of the other which shall not equally extend to the like article imported from or exported to any other country. The last provision is not, however, applicable to prohibitions or restrictions maintained or imposed as sanitary measures or for purposes of protecting animals and useful plants.

Article VI.

The citizens or subjects of each of the High Contracting Parties shall enjoy in the territories of the other exemption from all transit duties and a perfect equality of treatment with native citizens or subjects in all that relates to warehousing, bounties, facilities and drawbacks.

Article VII.

Limited-liability and other companies and associations, commercial, industrial, and financial, already or hereafter to be organized in accordance with the laws of either High Contracting Party and domiciled in the territories of such Party, are authorized, in the territories of the other, to exercise their rights and appear in the courts either as plaintiffs or defendants, subject to the laws of such other Party.

The foregoing stipulation has no bearing upon the question whether a company or association organized in one of the two countries will or will not be permitted to transact its business or industry in the other, this permisison remaining always subject to the laws and regulations enacted or established in the respective countries or in any part thereof.

Article VIII.

All articles which are or may be legally imported into the ports of either High Contracting Party from foreign countries in national vessels may likewise be imported into those ports in vessels of the other Contracting Party, without being liable to any other or higher duties or charges of whatever denomination than if such articles were imported in national vessels. Such reciprocal equality of treatment shall take effect without distinction, whether such articles come directly from the place of origin or from any other foreign place.

In the same manner, there shall be perfect equality of treatment in regard to exportation, so that the same export duties shall be paid, and the same bounties and drawbacks allowed, in the territories of each of the Contracting Parties on the exportation of any article which is or may be legally exported therefrom, whether such exportation shall take place in vessels of the United States or in Japanese vessels, and whatever may be the place of destination, whether a port of the other Party or of any third Power.

Article IX.

In all that regards the stationing, loading and unloading of vessels in the ports of the territories of the High Contracting Parties, no privileges shall be granted by either Party to national vessels which are not equally, in like cases, granted to the vessels of the other country; the intention of the Contracting Parties being that in these respects the respective vessels shall be treated on the footing of perfect equality.

Article X.

Merchant vessels navigating under the flag of the United States or that of Japan and carrying the papers required by their national laws to prove their nationality shall in Japan and in the United States be deemed to be vessels of the United States or of Japan, respectively.

Article XI.

No duties of tonnage, harbor, pilotage, lighthouse, quarantine, or other similar or corresponding duties of whatever denomination, levied in the name or for the profit of Government, public functionaries, private individuals, corporations or establishments of any kind shall be imposed in the ports of the territories of either country upon the vessels of the other, which shall not equally, under the

same conditions, be imposed on national vessels in general, or on vessels of the most favored nation. Such equality of treatment shall apply reciprocally to the respective vessels from whatever place they may arrive and whatever may be their place of destination.

Article XII.

Vessels charged with performance of regular scheduled postal service of one of the High Contracting Parties, whether belonging to the State or subsidized by it for the purpose, shall enjoy, in the ports of the territories of the other, the same facilities, priviliges and immunities as are granted to like vessels of the most favored nation.

Article XIII.

The coasting trade of the High Contracting Parties is excepted from the provisions of the present Treaty and shall be regulated according to the laws of the United States and Japan, respectively. It is, however, understood that the citizens or subjects of either Contracting Party shall enjoy in this respect most-favored-nation treatment in the territories of the other.

A vessel of one of the Contracting Parties, laden in a foreign country with cargo destined for two or more ports of entry in the territories of the other, may discharge a portion of her cargo at one of the said ports, and, continuing her voyage to the other port or ports of destination, there discharge the remainder of her cargo, subject always to the laws, tariffs and customs regulations of the country of destination; and, in like manner and under the same reservation, the vessels of one of the Contracting Parties shall be permitted to load at several ports of the other for the same outward voyages.

Article XIV.

Except as otherwise expressly provided in this Treaty, the High Contracting Parties agree that, in all that concerns commerce and navigation, any privilege, favor or immunity which either Contracting Party has actually granted, or may hereinafter grant, to the citizens or subjects of any other State shall be extended to the citizens or subjects of the other Contracting Party gratuitously, if the concession in favor of that other State shall have been gratuitous, and one the same or equivalent conditions, if the concession shall have been conditional.

Article XV.

The citizens or subjects of each of the High Contracting Parties shall enjoy in the territories of the other the same protection as native citizens or subjects in regard to patents, trade-marks and designs, upon fulfillment of the formalities prescribed by law.

Article XVI.

The present Treaty shall, from the date on which it enters into operation, supersede the Treaty of Commerce and Navigation dated the 22nd day of November, 1894; and from the same date the last-named Treaty shall cease to be binding.

Article XVII.

The present Treaty shall enter into operation on the 17th of July, 1911, and shall remain in force twelve years or until the expiration of six months from the date on which either of the Contracting Parties shall have given notice to the other of its intention to terminate the Treaty.

In case neither of the Contracting Parties shall have given notice to the other six months before the expiration of the said period of twelve years of its intention to terminate the Treaty, it shall continue operative until the expiration of six months from the date on which either Party shall have given such notice.

Article XVIII.

The present Treaty shall be ratified and the ratifications thereof shall be exchanged at Tokyo as soon as possible and not later than three months from the present date.

In witness whereof, the respective Plenipotentiaries have signed this Treaty in duplicate and have hereunto affixed their seals.

Done at Washington the 21st day of February, in the nineteen hundred and eleventh year of the Christian era, corresponding to the 21st day of the 2nd month of the 44th year of Meiji.

PHILANDER C KNOX [SEAL]
Y. UCHIDA [SEAL]

And whereas, the advice and consent of the Senate of the United States to the ratification of the said Treaty was given with the understanding "that the treaty shall not be deemed to repeal or affect any of the provisions of the Act of Congress entitled 'An Act to Regulate the Immigration of Aliens into the United States,' approved February 20th 1907;"

And whereas, the said understanding has been accepted by the Government of Japan;

And whereas, the said Treaty, as amended by the Senate of the United States, has been duly ratified on both parts, and the ratifications of the two Governments were exchanged in the City of Tokyo, on the fourth day of April, one thousand nine hundred and eleven;

Now, therefore, be it known that I, William Howard Taft, President of the United States of America, have caused the said Treaty, as amended, and the said understanding to be made public, to the end that the same and every article and clause thereof may be observed and fulfilled with good faith by the United States and the citizens thereof.

In testimony whereof, I have hereunto set my hand and caused the seal of the United States to be affixed.

Done at the City of Washington this fifth day of April in the year of our Lord one thousand nine hundred and eleven, and of the Independence of the United States of America the one hundred and thirty-fifth.

[SEAL] WM H TAFT

By the President:
P C KNOX
Secretary of State.

DECLARATION.

In proceeding this day to the signature of the Treaty of Commerce and Navigation between Japan and the United States the undersigned, Japanese Ambassador in Washington, duly authorized by his Government has the honor to declare that the Imperial Japanese Government are fully prepared to maintain with equal effectiveness the limitation and control which they have for the past three years exercised in regulation of the emigration of laborers to the United States.

Y. UCHIDA

FEBRUARY 21, 1911.

PROTOCOL OF PROVISIONAL TARIFF ARRANGEMENT BETWEEN THE UNITED STATES AND JAPAN. SIGNED AT WASHINGTON, FEBRUARY 21, 1911; RATIFICATION ADVISED BY THE SENATE, WITH AMENDMENT, FEBRUARY 24, 1911; RATIFIED BY THE PRESIDENT, MARCH 2, 1911; RATIFIED BY JAPAN, MARCH 31, 1911; RATIFICATIONS EXCHANGED AT TOKYO, APRIL 4, 1911; PROCLAIMED, APRIL 5, 1911.

BY THE PRESIDENT OF THE UNITED STATES OF AMERICA.

A PROCLAMATION.

Whereas a Protocol of a provisional tariff arrangement between the United States of America and the Empire of Japan was concluded and signed by their respective Plenipotentiaries at Washington, on the twenty-first day of February, one thousand nine hundred and eleven, the original of which Protocol, being in the English language is, as amended by the Senate of the United States, word for word as follows:

PROTOCOL.

The Government of the United States of America and the Government of Japan have, through their respective Plenipotentiaries, agreed upon the following stipulation in regard to Article V of the Treaty of Commerce and Navigation between the United States and Japan signed this day to replace on the 17th of July, 1911, the Treaty of the 22nd of November, 1894:

Pending the conclusion of a treaty relating to tariff, the provisions relating to tariff in the Treaty of the 22nd of November, 1894, shall be maintained.

In witness whereof, the respective Plenipotentiaries have signed this Protocol in duplicate and have hereunto affixed their seals.

Done at Washington the 21st day of February, in the nineteen hundred and eleventh year of the Christian era, corresponding to the 21st day of the 2nd month of the 44th year of Meiji.

[SEAL] PHILANDER C KNOX
[SEAL] Y. UCHIDA

And whereas, the said Protocol, as amended by the Senate of the United States, has been duly ratified on both parts, and the ratifications of the two governments were exchanged in the City of Tokyo, on the fourth day of April, one thousand nine hundred and eleven;

Now, therefore, be it known that I, William Howard Taft, President of the United States of America, have caused the said Protocol to be made public, to the end that the same and every article and clause thereof, as amended, may be observed and fulfilled with good faith by the United States and the citizens thereof.

In testimony whereof I have hereunto set my hand and caused the seal of the United States to be affixed.

Done at the City of Washington this fifth day of April in the year of our Lord one thousand nine hundred and [SEAL] eleven, and of the Independence of the United States of America the one hundred and thirty-fifth.

WM H TAFT

By the President:
P C KNOX
Secretary of State.

Mr. SCHWELLENBACH. Mr. President, I do not agree that the 1911 treaty should have prevented our Government from adopting the joint resolution which I introduced. I concede, however, that like all legal questions about which there is an argument, there can be an argument about that question. Under those circumstances I certainly am in no way critical of the Members of this body who contended that before we took further action the 6-months' notice should be given Japan. In matters of this kind, in which we base our position upon a treaty, certainly we must be punctilious. I do not think there was any necessity for our recognizing the 1911 treaty as an obstacle to the proposed action. However, as I say, I am not arguing that point with a view of arguing that my joint resolution or the Pittman joint resolution should be adopted during this session of the Congress.

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

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

Mr. SCHWELLENBACH. I yield.

Mr. KING. Mr. President, in view of the obligations upon our Government, as well as upon the other signatories to the Nine Power Treaty, does not the Senator believe there would be some moral, if not legal, obligation on the part of the United States if one of the signatories to the treaty violated its terms in such a flagrant manner as Japan has violated its terms in its treatment of China? There is an obligation upon our part to respect that treaty and to respect the obligations therein contained by insisting that the territorial integrity and political independence of China shall be respected. Is not that an obligation which imposes upon us the duty to protest against the infraction of the treaty by the assault by Japan upon China, which, of course, is covered by the terms of the treaty referred to?

RESPONSIBILITY IS AMERICA'S

Mr. SCHWELLENBACH. The whole thesis of my remarks is that by reason of the nine-power agreement we have an obligation upon us to respect the territorial and administrative integrity of China; and that we are violating that obligation. I present this matter as an affirmative violation on our part. The agreement is binding not only upon our Government, but upon our citizens. When our Government sits by and permits our citizens to violate the treaty by making the profit they can make out of sending to Japan materials which we know are to be used by Japan for the purpose of destroying China's territorial integrity, I say we are violating the Nine Power Agreement.

One of the positions I take is that we cannot justify our violation of the Nine Power Agreement, signed 11 years later, upon the basis that we might possibly violate the 1911 treaty with Japan, because Japan also joined with us in the Nine Power Agreement; and it is she who has brought about the situation which makes it necessary for us to insist upon our obligation to comply with the provisions of the Nine Power Treaty.

Mr. KING. Mr. President, I think the Senator is correct if I understand his thesis.

In January of last year I discussed this question and the flagrant violation of the terms of the Nine Power Treaty by Japan, and insisted that our Government take some course which would indicate its condemnation of Japan's policy and our affirmative desire to protect China against the invasion of Japan.

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

Mr. SCHWELLENBACH. I yield.

Mr. LUNDEEN. I am asking for information. I wonder if the Senator includes shipments of food, gasoline, trucks, and such materials not in the nature of guns or manufactured war weapons.

Mr. SCHWELLENBACH. The resolution does not contemplate a limitation to arms, munitions, and implements of war. As a matter of fact, our furnishing of them to Japan is very unimportant. Japan does not need us to furnish arms, ammunition, and implements of war. What Japan needs is our gasoline, our scrap iron and steel, and other commodities which she uses to manufacture or to propel the manufacture of those things she manufactures for war purposes.

Mr. LUNDEEN. Do I understand the Senator to advocate that we should cut off all such exports?

Mr. SCHWELLENBACH. Yes.

Mr. LUNDEEN. Including food?

Mr. SCHWELLENBACH. No. I do not include food, for the reason that it is almost impossible to tell, when it comes to food, which civilian population would be punished, whether it would the population of China or that of Japan, to use that as an illustration. It is almost impossible to know whether the food would be used to feed people in China or in Japan, and I think a sense of humanity requires that agricultural products used for food should not be included in the embargo.

Mr. LUNDEEN. Does the Senator have a schedule or list?

Mr. SCHWELLENBACH. That would be a function of the executive branch of the Government. The resolution says:

> Except agricultural products, which there is reason to believe will, if exported, be used, directly or indirectly, in violation of the sovereignty, or the independence, or the territorial or administrative integrity of any nation.

Mr. LUNDEEN. The Senator is now referring to the resolution introduced by himself?

Mr. SCHWELLENBACH. Yes.

Mr. President, going back to the question raised by the Senator from Utah [Mr. KING], which fits right into the point I am discussing, I wish first to read a short quotation from the work, International Law, by Charles Cheney Hyde, found in volume 1, page 422, in which he says:

> The setting in motion outside of a state of a force which produces an injurious effect therein, justifies the territorial sovereign in prosecuting the actor when he enters its domain.

It is true we did not actually send our soldiers, we did not enter into China for the purpose of destroying her, but this authority recognizes that the setting in motion outside of a state of forces which later result in the destruction of a territory constitutes an act against them to almost as great an extent and almost as directly as if they were actually within the territory.

I wish to call attention to a proclamation which President Coolidge issued when he proclaimed the Nine Power Treaty:

> To the end that the same in every article and clause thereof may be observed and fulfilled with good faith by the United States and the citizens thereof—

ATTITUDE OF THE COURTS

For the purpose of getting into the RECORD in order that such use may be made of them as Senators may see fit, I desire to give a few citations in reference to the attitude of our courts upon the question of treaties. I have said several times that a treaty into which the Government enters is obligatory not merely upon the Government but upon its citizens. My reason for repeating it is that the function of the joint resolution I have introduced is to stop our citizens and not merely to stop our Government. That statement was made by the Supreme Court of the United States in *Poole* v. *Fleeger* (229 U. S. 447), in which they said:

> A treaty is binding upon the Nation and all its citizens and subjects.

The Constitution of the United States itself provides:

> This Constitution and the laws of the United States which shall be made in pursuance thereof, and all treaties made, or which shall be made, under authority of the United States shall be the supreme law of the land (art. VI, sec. 2).

In the case of *Missouri* v. *Holland* (252 U. S. 415), Mr. Justice Holmes used this language in reference to our attitude toward the treaties and indicates a treaty to be of higher sanctity than an act of Congress:

> Acts of Congress are the supreme law of the land only when made in pursuance of the Constitution; while treaties are declared to be such when made under the authority of the United States.

In the case of *Foster* v. *Neilson* (2 Peters 253–314), the Court said:

> Our Constitution declares a treaty to be the law of the land. It is, consequently, to be regarded in courts of justice as equivalent to an act of Congress whenever it operates of itself without the aid of any legislative provision.

In the case of Davies against Hale, found in 91 United States Reports, page 13, the Court said this:

> Treaties which are complete within themselves need no supplementary legislation to give them force and validity.

In construing this particular treaty, knowing the relationship between the nations which were involved at the time, I think it is all important to understand the attitude of our Supreme Court upon the question of the relationship between a nation which is stronger and a nation which is weaker. In the case of *Choctaw Nation* v. *United States* (119 U. S. 1), the Supreme Court said:

> A treaty between a superior and an inferior nation should be construed in favor of the latter.

In the case of *Asakura* v. *Seattle* (265 U. S. 332), the Supreme Court said:

> A treaty is to be construed in a broad and liberal spirit, and where two constructions are possible, one restrictive of the rights that may be claimed under it and the other favorable to them, the latter is to be preferred.

In the case of *Sullivan* v. *Kidd* (254 U. S. 433) the Supreme Court said:

> A treaty is to be executed in the utmost good faith, with a view of making effective the purpose of the high contracting parties.

Now, proceeding with the question of embargo, Justice Bushrod Washington, in the case of Odlin against Insurance Co., 2 Washington Reports, 312–322, said:

> What is an embargo? In its nature and design it imposes a temporary restraint; it is a measure of precaution and State policy, intended by the Government either to distress some foreign nation, or to protect the property of its own citizens.

I conclude this branch of the discussion with the statement that we do have a treaty obligation to observe to respect the territorial integrity of China. Our goods are now being used for the purpose of destroying China's territorial integrity. Goods are being shipped by our citizens who are subject to control by our Government in this country. The joint resolution which I have introduced is based upon that treaty, and provides that our Government shall stop our citizens from disobeying the treaty obligations which were imposed upon them by the treaty by shipping goods intended to be used for the purpose of violating a treaty which they as citizens are obligated to respect.

Under these circumstances, since it is not a complete embargo, since it does not refer to any nation, since it is simply an embargo upon goods for a particular use, I am convinced that there never was any necessity of standing by and waiting for the 6-month period to expire. Nevertheless, we have given that notice, and I am not urging that anything in the way of action by the Congress be taken prior to the time when the notice shall become effective.

A WAY TO HELP

Mr. President, a few months ago the Secretary of State, recognizing the situation in Japan and China, called upon the airplane manufacturers of this country voluntarily to desist from shipping their airplanes to Japan. He had no authority; he assumed no authority; he claimed no authority. It was a mere request made to men in business in this country, on the basis that they should not profit by the manufacture of materials to be used in the way, and for the purposes, Japan was using them. That request was almost 100 percent effective. Since the first of the year there have been very few, if any, shipments of airplanes to Japan. I happen to know of one instance of an airplane manufacturer in this country who had an offer, a firm commitment by the Japanese Government, to purchase from that company airplanes at a cash profit of $500,000 over and above the expenses of manufacture.

It was a very attractive and alluring offer so far as the company was concerned, but readily, willingly, and cheerfully that company gave up the right to do that business, because they knew it was wrong, and the Secretary of State had asked them to desist. During the next 6 months' period, if the Secretary of State would ask the business interests of the country, the oil companies, for example, or the junk companies, for example, to desist from making a profit out of the sale of their goods which are being used in violation of our treaty obligations, I think he would receive not a hundred percent cooperation, it is true, but he would receive a very substantial cooperation.

Shortly after the Japanese-Chinese incident occurred in 1937, I introduced a bill in this body to prevent the shipment of scrap steel. I was deluged for several weeks with letters and telegrams of protest coming from those engaged in the junk business in this country. They were simply outraged to think that I would introduce such a piece of proposed legislation. The measure was referred to the committee, and because of its nature I recognized that I could not make the case necessary to secure action upon that particular bill. I reintroduced the bill this year, however, and I have not received a protest from a single source. The people engaged in the junk business in the United States, who in 1937 protested vigorously because of the possibility that they would be deprived of their profits, have registered no protest and no objection to the proposed legislation this year. I think that means something; I think it means that if the Secretary of State would do generally what he did with the airplane industry, he could bring the exports of these materials down to somewhere below 25 percent of their present volume.

In view of the seriousness of the situation with which we are confronted, in view of the fact that for the next 6 months we are going to be compelled to violate a treaty with China because we feel that we cannot take any other position as a result of our 1911 treaty with Japan, I call upon the Secretary of State to ask the business interests of this country to desist from carrying on their traffic during this period of time; and, should he do so, I venture the prophecy that the Secretary of State would achieve very material results.

I wish to conclude by reading from a statement which was made on the floor September 26, 1921, by the Senator from Idaho [Mr. BORAH]. I had read it in the newspapers at the time; it impressed me, and I have not forgotten it:

> "Mr. President, there is a law stronger than constitutional law, stronger than legislative law, and that is the moral law, and it finally wins." (Senator WILLIAM E. BORAH, addressing the Senate, September 26, 1921, on the Versailles Treaty.)

We do have in this situation, as a result not merely of our treaties but as a result of past experience, past contacts with the Chinese Government and the Chinese people, a very definite obligation. Courts of equity recognize that when people who have a friendly or fiduciary relationship deal with each other there is a greater need for strict compliance with agreements, and that a man who depends upon another and gives to him control of his property or his future has a right to rely upon a greater degree of support from his fiduciary than when they were simply dealing at arm's length.

The same theory applies among governments. Through the years the Chinese people have trusted us. Through the years the Chinese people have relied upon us, and now, in their hour of need, despite our very definite concrete, treaty obligations, we are not carrying out those things which common decency and common honor would compel us to carry out in our relations with China.

Mr. President, I conclude with this one statement:

> This above all: to thine own self be true,
> And it must follow, as the night the day,
> Thou canst not then be false to any man.

I do not think the people of this country want to be false to their responsibility to the people of China.

THE PREVAILING WAGE

Mr. DAVIS. Mr. President, I have long upheld the principle of the prevailing wage. In my judgment, this is the wage that represents the most stable standards of labor and industry in any community. I do not believe the Government should take any step that will destroy these standards. I have seen recurring attacks made on wage standards, but in the end they have always been repulsed, because Americans generally realize that fair wages make for increased purchasing power, on which the welfare of all of our citizens depend.

Mr. President, I am not of the opinion that the prevailing wage is completely satisfactory in every respect. I know there is possibility for improvement in legislation and in administrative rulings made under existing law. However, I have always proceeded on the basis that some standards are better than no standards for work and wages. We are trying to establish these standards. And at such a time it would be most unfortunate for the Government to take any decisive or permanent action that will frustrate the efforts made in private enterprise to establish stabilized procedures in work and wages.

The key to the effect of prevailing-wage legislation upon all interested parties is in the definitions actually applied.

Real dangers to both employers and employees are inherent in the power of administrators to change at will the meaning of such terms as "prevailing," "similar work," and "corresponding classes." Nevertheless it is best that the present administrative definitions shall stand until they can be improved through careful committee study and thoroughgoing legislative action. This is too important a problem to solve in these days of hurried debate. The principles of the prevailing wage, already established in private and public work, should continue to prevail until something better can be found. I shall vote to uphold the principle of the prevailing wage in both Government and private work contracts as opportunity offers and as long as this is the only practical plan provided up to the present time for the establishment of any kind of general work and wage standards whatsoever.

Mr. President, no consideration of the prevailing wage can be made in any comprehensive way under the present conditions of international trade without consideration of the prevailing wage levels of the foreign powers with which we trade. Those prevailing wage levels, based on underpaid and sweated labor, are constantly tending to lower our own, especially in the last few years. My attention has been called repeatedly by constituents in Pennsylvania, from one end of the State to the other, to the unemployment resulting from tariff reductions. Only this morning I was brought face to face with this condition in the zinc industry by a representative group of citizens from Washington County, Pa., who told of the desperate conditions that prevail there. The same condition prevails in the lace industry, boots and shoes, window glass, coal, and farm products.

On July 5, 1939, Secretary of Commerce Harry Hopkins, issued a statement showing that there is no abatement in the United States in the demand for laces made in Calais, France. Mr. President, I ask unanimous consent to have this brief statement included in the RECORD at this point as a part of my remarks.

The PRESIDING OFFICER (Mr. THOMAS of Oklahoma in the chair). Without objection, it is so ordered.

The statement is as follows:

DEPARTMENT OF COMMERCE,
Washington, July 5, 1939.

NO ABATEMENT IN UNITED STATES DEMAND FOR CALAIS LACES

No slackening has been evident in the strong American demand for French laces which in the past year has brought prosperity to Calais' lace industry, according to a report from Consul J. G. Carter, made public by the Department of Commerce.

Local manufacturers are booked up with orders from the United States for many months to come.

May exports of lace from the Calais district to the American market established a new high record not reached even during the prosperous years prior to 1932. The trade with Canada, Australia, and South American countries, which has improved in recent months, was well maintained during May, although there are indications that June will show a falling off in the demand from these markets.

The extent of the increased American demand for Calais lace is indicated in a comparison of May shipments this year to the United States with those of the preceding month of April and with May 1938. The May 1939 exports were higher by 52 percent in value and 39 percent in volume than for April, and by 171 percent in value and 120 percent in volume compared with May 1938. Cumulative shipments covering the first 5 months of 1939 increased 155 percent in value and 137 percent in weight compared with the corresponding period of 1938.

Mr. DAVIS. Mr. President, the same protection that we ask for industry we also seek to an equal extent for agriculture, which is now devastated with low prices. The parity prices between industry and agriculture, about which we heard so much a few years ago, have not been realized. Indeed, we scarcely ever hear mention of parity prices today. The scale of agricultural prices in the United States has pegged to the world market, making it possible for international traders to gamble with farm products, while American farmers and American taxpayers foot the bill. Unless and until an American price, as distinguished from a world price, is fixed for agricultural products there is no price for an American tariff to protect.

We have come to the time when we should realize that no plan for wage rates can be acceptable that does not take into consideration the divergence between American and foreign scales of work and production. Our Nation needs equally with national defense on land, sea, and air, a program of protection that shall make a fair place for our American standards of living, our dollars, our labor, our agriculture, our industry, our investment, and our peace. We must have sound money and a protective tariff. When we begin practically to realize these ideals we shall not be so deeply disturbed as we are at present about prevailing wage scales in America, for out of our abundance we can meet all fair demands.

AMENDMENT OF RETIREMENT LAW OF APRIL 23, 1904—CONFERENCE REPORT

Mr. SHEPPARD submitted the following report:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 839) to amend the Retirement Act of April 23, 1904, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendment of the House and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the House amendment insert the following immediately preceding the period at the end of the first paragraph of the Senate bill: "*Provided*, That the words, 'or after forty years' service,' contained in the Retirement Act of Congress, approved April 23, 1904, be changed to read: 'or after thirty years' service, including cadet service'; and be it further provided that the words 'otherwise than as a cadet' in the same act be changed to read 'including cadet service'"; and the House agree to the same.

MORRIS SHEPPARD,
LISTER HILL,
RUFUS C. HOLMAN,
Managers on the part of the Senate.

A. J. MAY,
R. E. THOMASON,
W. J. ANDREWS,
Managers on the part of the House.

The report was agreed to.

ORDER OF BUSINESS

Mr. LUNDEEN obtained the floor.

Mr. PEPPER. Mr. President——

The PRESIDING OFFICER. Does the Senator from Minnesota yield to the Senator from Florida?

Mr. PEPPER. Mr. President, I did not quite understand the situation. Is the Senator from Minnesota going to address the Senate?

Mr. LUNDEEN. That is my purpose. I assume the Senator from Florida desires to make a brief statement?

Mr. PEPPER. I merely desire to say that I have two or three little bills which I hope to have considered some time during the day. I did not know whether or not the Senator intended to address the Senate at considerable length. I did not want to interfere with his remarks, of course, but I give notice that so soon as I am able to get recognition I shall ask for the consideration of Calendar No. 157, Senate bill 1162, Calendar No. 854, House bill 5681, and Calendar No. 928, House bill 6505. I did not want Senators to leave the Chamber with the impression that an effort would not be made to have those bills considered, because I have been trying for some time to have them considered.

Mr. KING. Mr. President, let me console the Senator by saying that there is no chance of having them considered today.

Mr. PEPPER. At least I assure the Senator that I will be here behind this particular desk speaking and seeking for recognition when the Senate adjourns.

RELIEF OF INDIAN SERVICE DISBURSING AGENTS AND EMPLOYEES

Mr. THOMAS of Oklahoma. Mr. President, on March 14 of this year the Senate passed Senate bill 1415 for the relief of disbursing agents. The bill was reported by the committee and passed this body and was sent to the House, and on July 31 the House passed an identical House bill. Notwithstanding the fact that the House had the Senate bill for months in its possession, they saw fit to pass a House bill which was identical. In order to make progress I ask unanimous consent that the Chair lay before the Senate the bill which passed the House, House bill 4085.

The PRESIDING OFFICER laid before the Senate a bill from the House of Representatives, which was read the first time by title and the second time at length, as follows:

Be it enacted, etc., That the Comptroller General of the United States is hereby authorized and directed to allow credit to employees of the Indian Service and in the accounts of J. E. Balmer, S. F. Stacher, and J. W. Elliott, disbursing agents in the Indian Service, for payments made during the period November 1933 to April 1934 to certain employees for the use of their personally owned automobiles as provided in the act of February 14, 1931 (46 Stat. 1103), to the extent that payments have been disallowed solely because the oil and gas used in such automobiles were purchased from Government supplies.

SEC. 2. Refunds are hereby authorized to be made, out of any money in the Treasury not otherwise appropriated, to any employees from whom collections have been made and deposited into the Treasury pursuant to disallowances on account of mileage payments made by the disbursing agents named in section 1 hereof.

Mr. THOMAS of Oklahoma. I ask unanimous consent for the immediate consideration of the House bill.

The PRESIDING OFFICER. Is there objection?

There being no objection, the bill (H. R. 4085) for the relief of certain disbursing agents and employees of the Indian Service was considered, ordered to a third reading, read the third time, and passed.

AMENDMENT OF EMPLOYERS' LIABILITY ACT

The PRESIDING OFFICER laid before the Senate the amendment of the House of Representatives to the bill (S. 1708) to amend the Employers' Liability Act.

Mr. NEELY. Mr. President, I move that the Senate disagree to the House amendment, ask for a conference with the House on the disagreeing votes of the two Houses thereon, and that the Chair appoint conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. NEELY, Mr. BURKE, and Mr. AUSTIN conferees on the part of the Senate.

WINGS OVER THE EARTH

Mr. LUNDEEN. Mr. President, this morning I asked unanimous consent to have inserted in the RECORD certain articles appearing in the papers concerning aviation. I wish to request that there also be printed an article in today's Star under the title "Aviation Anniversary."

ORVILLE AND WILBUR WRIGHT

Congress has awarded Orville Wright honorary pilot certificate No. 1. I am informed that Mr. Wright's birthday will be celebrated on the 17th of August, and if I had my way about it we would make that day a national holiday, the day which gave to the world this man of genius who has so honored the United States.

Various other editorials have appeared in papers concerning this thirtieth aviation anniversary, and I ask unanimous consent to have these added to the request I made this morning.

The PRESIDING OFFICER. Is there objection?

There being no objection, the matters were ordered to be printed in the RECORD.

ROADS OF THE AIR

Mr. LUNDEEN. Mr. President, addressing ourselves to the subject which is before us today, that of aviation, this being the thirtieth anniversary of the purchase of the first plane by the War Department, we might well think about wings over the earth, about the roads of the air.

ON A MAGIC CARPET TO EUROPE

A recent and deeply stirring personal experience prompts me to call to the attention of the Senate at this time a matter which is, in a very particular and very vital sense, of the utmost public importance to the people of the United States, to their affairs of today, to their future prosperity, to the place of this Nation in the world—more, to the continued existence of the great democratic ideal which on this continent found its birth, and which, now, faces a test more trying than any which has confronted it in the century and a half of its existence and growth.

It was my privilege last month, with my colleague, the junior Senator from New Mexico, and distinguished representatives of the House and the executive departments, to travel to Europe and return by air. We followed the route which Leif Ericson must have first traveled so many centuries ago. The saga of his voyages does not recount for us the number of his days upon the sea. The first navigators of whom we have record took months to make this crossing. The fastest and finest steamships now take days. It is but a feeble reflection of the epochal importance of our experience to say that we spanned the North Atlantic in a matter of hours.

BEFORE LONG IT WILL BE TEN HOURS TO EUROPE

To be exact, the journey in crossing the Atlantic from Botwood, Newfoundland, to Foynes, Ireland, on the famous river Shannon, 18 miles from old Limerick, occupied just 13 hours and 28 minutes. The return took 16 hours and 36 minutes, the difference being accounted for by the trade winds, which blow continuously toward Europe and make the westerly crossing about 3 hours slower, and from the great cities of continental Europe about 5 hours slower.

As twilight fell we saw the wooded heights of Lief Ericson's New Found Land drop beneath the horizon against the reddening sun as he must have seen it, facing months of peril on the surface of the unknown sea, returning to the land of his forebears, tossed in his fragile open craft a thousand years ago.

CELEBRATING A BIRTHDAY 2 MILES UP OVER MIDOCEAN

Far above those lashing waves, calmly, comfortably, cheerfully, in a room more luxurious than any viking castle could ever have known, born on great wings, driven by great engines which were the creatures of American genius, we celebrated the birthday of one of our company. We slept in beds as luxurious as any I have ever known. And with the dawn we saw beneath us the smiling green hillsides, the bright blue waters, the white cottages of Ireland. The President of Eire, Eamonn de Valera, did us the honor at that early hour to greet us as we stepped ashore upon the magnificent trans-Atlantic air terminal which his country has provided. A few hours later we again were received ashore in that great heart of British shipping, the port of Southampton, and well before the close of day we were in the capital of the British Empire, ancient London.

Great as was the personal thrill of this experience, none of us, I think, for a moment forgot that our personal satisfaction might well have been mitigated by the knowledge that we were but witnesses of a triumph for the American flag and all it stands for.

Long has that flag been denied preeminence upon those waters. It flew proudly there, eminently first, in the days of sail, in the days of wooden ships and iron men, in the days when this country politically independent, sought economic and financial gains upon the continent of Europe and the Old World. Then our men of iron, our pioneers, turned their eyes and their efforts from the bitter waves of the Atlantic to the green waves of the prairies to the west. There they built an empire of grain, of cattle, of iron, and of gold, that made us not only economically independent of Europe but made Europe, as a matter of fact, economically dependent upon us.

THE CROSSROADS OF THE WORLD

The conquest and consolidation of our own continental empire, our great homeland, has been completed east and west. For essential purposes, here upon this continent we have all that our teeming millions of people can need or desire. But we have more. We stand midway between two great groups of the world's peoples, those of western Europe, whence came the germs of our own civilization, and those of eastern Asia, where civilizations, older than Europe's, are engaged in a sanguinary clash of war.

Many years ago we legislated to close our western door to invasion by ways of life, by peoples, and by economies that were not ours. For many years we have well-nigh controlled the traffic between those two mighty centers of population. Four years ago an American company made it sure that we dominated and will continue to dominate for many years the newest and the swiftest means of communication

between peoples on the Pacific. After long experience and proud achievement in fostering communication with our neighbors in our own hemisphere, Pan American Airways established regular service between San Francisco and Hong Kong, spanning the mighty Pacific for more than 7,000 miles.

PAN AMERICAN LEADS THE WAY

It is not accident that that company has now been the first to establish regular service between our eastern seaboard and the centers of civilization of western Europe. It was because, in the good American way, that company and the men who made it and manage it had acquired the necessary skills of all sorts to enable them to close this last link in air communication among the earth's great centers of population. Before it started to fly the North Atlantic its airplanes had logged four and a half million ocean miles upon the other seas. That was six times as many ocean miles as German planes had flown. It was eight times as many miles as French planes had flown overseas. It was almost 20 times as far as British planes had flown despite the far-flung Empire the British airways sought to link.

Mr. President, at this point I ask permission to introduce, among other editorials and newspaper articles referred to a moment ago, the statements of our distinguished aviator, Charles A. Lindbergh, Dr. Charles G. Abbot, Dr. George W. Lewis, and Edward H. Chamberlain, made at the time of the hearings on the third deficiency appropriation bill for 1939, in which he largely deals with research in aviation.

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

LINDBERGH ON RESEARCH—STATEMENTS OF DR. CHARLES G. ABBOT AND COL. CHARLES A. LINDBERGH, MEMBERS OF COMMITTEE; DR. GEORGE W. LEWIS, DIRECTOR OF AERONAUTICAL RESEARCH; AND EDWARD H. CHAMBERLAIN, ASSISTANT SECRETARY

CONSTRUCTION AND EQUIPMENT AT SUNNYVALE, CALIF.

Mr. WOODRUM. We have an item in House Document 151 for the National Advisory Committee for Aeronautics, for construction and equipment at Langley Field, Va., and Sunnyvale, Calif., $6,140,000, $2,140,000 to be available for Langley Field and $4,000,000 for Sunnyvale; provided, that the Advisory Committee is authorized to enter into contracts for construction at Sunnyvale at a total cost of not to exceed $10,000,000.

Dr. Abbot, will you give us the justification for this item?

Dr. ABBOT. Mr. Chairman, we thank the committee for the opportunity to present what we consider an emergency.

I regret that the chairman of the National Advisory Committee for Aeronautics is unable from illness, and the vice chairman from absence, to testify. My technical knowledge is much less than theirs, but Dr. Lewis is here, and Colonel Lindbergh is here. Mr. Warner has gone, I am sorry to say; but I have been in experimental research myself for over 40 years, and no one knows better than I do what its necessity is. The best schemes one lays out in his mind have to be corrected by trial.

In order not to forget my points, I will ask the committee to indulge me to read what I have prepared. It is under six heads, as follows:

"1. What makes the need?
"2. What makes the emergency?
"3. Why not expand Langley Field?
"4. Why prefer Sunnyvale?
"5. Will there not be duplication?
"6. Will there not be inefficiency?

"1. What makes the need? Answer. The national defense.

"Several other countries are each devoting individually several times as much study to the increase of offensive power in military airplanes as we do. They do not communicate their results to us. Hence they are forging ahead, particularly in the item of speed. The consequence is that our air force, if it should be forced to fight with them, would even now be at a disadvantage which would be disastrous. And so rapid is the progress made by this hothouse forcing of military-airplane research in certain foreign countries that we fall further behind monthly in that basic knowledge which is only to be gained by costly experiments.

"2. What makes the emergency? Answer. The world's unquiet condition.

"No man can foresee when war storms may break which might involve us. It is hazardous to delay enlarging our research program for 12 months until appropriated for by the next session of Congress. We are already far behind the foreign accomplishment and getting behind further every month. We cannot approach the pace set abroad until the facilities contemplated in this estimate are appropriated for and put into operation.

"3. Why not expand Langley Field? Answer. For three principal reasons.

"Firstly, because in an emergency it is not wise to have all the eggs in one basket. We are not far from the time, possibly it has already unknown to us arrived by the progress of foreign research, when a foreign foe could construct such long-range airplanes as could be sent before the declaration of war (as is now fashionable) to wreck Langley Field. Or the foreign foe might employ agents here to do such bombing as has lately been done in London.

"Again, fire and flood might work destruction. Several years ago a hurricane put Langley Field 3 or 4 feet under salt water. Such a catastrophe would produce a lamentable delay in our investigations.

"Secondly, large structures and additional power requirements are contemplated in the proposed research program. Space is limited at Langley Field, and sufficient additional power is not available there.

"Thirdly, and most important, over 60 percent of the airplane building for military purposes is along the Pacific coast from Seattle down to San Diego. While engines are almost entirely built in the East, engine research does not require large high-speed wind tunnels. It is the play of air streams of 500 miles an hour and more on airplane surfaces that involves research of a wide variety of kinds on the structures of the modern military planes.

"Now that hundreds of millions of dollars are to be expended on military airplanes, new problems must be solved for every new type, lest the money be wasted. To ship models and experts from the west coast to the East for testing purposes, and back and forth perhaps several times before the correct solution is made, in making each new development, is wasteful of time and money in the extreme. Moreover, there is a tendency to omit tests that really ought to be made because of this time element involved. In illustration I may inform the committee that every new type of airplane that has been submitted to the committee for investigation at Langley Field has been improved in speed from 20 to 35 miles per hour. The laboratories at Langley Field and Sunnyvale will deal equally as well with basic new problems from which the findings will be used by all manufacturers throughout the country, but for problems of applied research, so essential in the development of new types of airplanes on the west coast, where over 60 percent of the airplane construction is under way, it is essential to have the new laboratory on the west coast.

"4. Why prefer Sunnyvale? Answer. Because selected after thorough study by experts.

"Sunnyvale is in a valley near sea level at the south tip of San Francisco Bay. It is on a military reservation where 70 acres (twice as much as we have at Langley Field) is available for laboratories. It is adapted to both naval and Army airplane researches. It may be reached within 2 hours by airplane from any airplane factory on the Pacific coast. It is available to large power sources. It is not in the earthquake faults of California. It is not subject to inundation by storms. A committee of experts comprising highest officials of Army, Navy, and civil aeronautics chose it after extensive research all over the country.

"5. Will there not be duplication? Answer. No.

"New problems will be attacked at Sunnyvale with new and more powerful apparatus. Tests will be made there which cannot be made in timely fashion at Langley Field, only because there are not hours enough in the day to keep up at Langley Field to Army, Navy, and commercial demands, let alone to do needed basic research equal to that of foreign nations.

"Langley Field facilities are still to be operated at full capacity, and they are suited to most problems. Sunnyvale would be needed and would be a highly valuable laboratory station if it merely duplicated Langley Field in every piece of equipment. But the military race has brought us into new fields of speed where even more powerful research apparatus is required. And our enormous airplane-construction program has heaped up more testing than can possibly be done in timely fashion at Langley Field. Besides all this, to bring that testing across the continent is wasteful of both time and money.

"6. Will there not be inefficiency? Answer. Separation geographically does not mean divided control.

"Both research establishments will be under the direction of the National Advisory Committee for Aeronautics. Problems will be assigned to one or the other station as most convenient, but will not be duplicated."

Now, gentlemen, Dr. Lewis and Colonel Lindbergh are here and will be able to answer questions in regard to this matter, I am sure, better than I could myself.

Mr. WOODRUM. We had rather extensive hearings on this when the matter was up before. I wonder if we can have a copy of those hearings. I do not want to duplicate anything that has been gone into.

LOCATIONS OF WIND TUNNELS AND OTHER EXPERIMENTAL FACILITIES

Mr. TABER. Can somebody give us a picture of what wind tunnels there are outside of Langley Field at this time in this country, and what experimental resources or facilities this country has, operated either privately or by the Government?

Dr. LEWIS. I can answer that.

This country is fortunate in having research facilities at universities, largely as the result of the Guggenheim gift. Universities that have wind-tunnel facilities are as follows: Massachusetts Institute of Technology, California Institute of Technology, University of Washington, New York University, University of Michigan, Georgia School of Technology at Atlanta. There are wind tunnels also at Detroit University, Carnegie Institute, and Purdue University.

These wind tunnels are all available for research work, and we have included in our request today an item to support research in universities.

The progress in research in Europe is so tremendous as compared with what we are doing here at the present time that we have not only got to use what we have asked for at Sunnyvale, if that is made available, but we have got to use all the facilities in this country, if we hope to catch up.

AMOUNT AND PURPOSE OF SUPPLEMENTAL APPROPRIATIONS CONTAINED IN SECOND DEFICIENCY APPROPRIATION BILL FOR 1939

Mr. WOODRUM. May I put in the record at this point an excerpt from the hearings on the second deficiency appropriation bill for 1939?

On February 23, 1939, this committee had hearings on these items, and they extend from pages 29 to 78, inclusive, and that might be referred to for some of this information.

Now, Doctor, may I ask you this: I do not know whether you have this committee print before you.

Dr. LEWIS. I have before me the break-down of what we are asking for in funds.

Mr. WOODRUM. And you have the revised request, do you?

Mr. CHAMBERLIN. We do have the revised request. It has not been printed yet.

Mr. WOODRUM. What did we give you in the bill which we passed? We gave you some of the things that you asked for. What did we give you?

Dr. LEWIS. You gave us $2,140,000 for structures at Langley Field, and you gave us an increase of $105,960 for increased personnel.

Mr. WOODRUM. That was because of the increased facilities at Langley Field which we gave you?

Dr. LEWIS. That is right. You gave us $118,020 for increased electric power, supplies, and equipment.

Mr. WOODRUM. That is the total that we gave you?

Dr. LEWIS. That is the total that you gave us; yes.

Mr. WOODRUM. That totals $2,363,980?

Mr. CHAMBERLIN. That is right.

Mr. WOODRUM. And you are asking now for what; $10,359,000?

Mr. TABER. No; $6,140,000.

AMOUNT AND PURPOSE OF ESTIMATES FOR SUNNYVALE, CALIF.

Mr. CANNON. How much was appropriated for Sunnyvale?

Mr. WOODRUM. None. That is what we did not allow.

You are asking $4,000,000 for Sunnyvale?

Dr. LEWIS. $4,000,000 for Sunnyvale; $104,020 for training personnel for Sunnyvale; for research in universities, $250,000; and for a west-coast coordinator, which was deleted from the last consideration of this item, $5,000; a total of $4,359,020.

Mr. WOODRUM. Which we did not allow?

Dr. LEWIS. Yes, sir.

Mr. WOODRUM. You asked for a $6,000,000 contractual authority?

Dr. LEWIS. We asked for that the last time.

Mr. WOODRUM. That was in addition to the $4,000,000?

Dr. LEWIS. That was in addition to the $4,000,000.

Mr. WOODRUM. So that makes $10,000,000?

Dr. LEWIS. $10,359,020.

Mr. WOODRUM. Now, is this statement which you have just handed me the part of the program which you asked for before that we did not allow?

Dr. LEWIS. That is the part of the program that you did not allow.

Mr. WOODRUM. Has there been any change in that?

Dr. LEWIS. No, sir.

Mr. WOODRUM. It is exactly the same?

Dr. LEWIS. Exactly the same.

Mr. WOODRUM. And it includes the Sunnyvale operation?

Dr. LEWIS. The Sunnyvale operation.

Mr. WOODRUM. All right, sir.

ADVANTAGE OF HAVING PLANT LOCATED ON WEST COAST

Mr. TABER. There are two or three things that seem to bother me a little bit on this. You tell us that Langley Field is so near the coast that it is subject to bombing. Sunnyvale is in the same position, only on the west coast. Now, is that a desirable location for that kind of set-up or not? I am rather wondering, in view of your suggestion that Langley Field was subject to bombing, if Sunnyvale would be the sort of location that we should embark on. What do you think about it?

Dr. LEWIS. That was very carefully considered by the committee, Mr. TABER, and balanced against the value of that particular development over a period of years to our development of aircraft in this country. The Sunnyvale site was considered, with a number of sites inland, but it was desirable to have it near the aircraft industry, near a center of population, where power is available, and where there is a good labor and supply market.

Mr. TABER. Now, this California field is just as much subject to bombing as Langley Field, is it not?

Dr. ABBOT. Not from Europe, sir.

Mr. TABER. No; but from the other side.

Dr. ABBOT. Still there would hardly be a combination to bomb both.

Mr. TABER. You figure that they would not both be under attack at the same time?

Dr. ABBOT. I think not, sir.

Mr. LUDLOW. I would like to ask, in line with Mr. TABER's questions, whether you gentlemen, who are experts, have considered the Midwest for this location? I happen to represent a city which prides itself on being called the Crossroads of America—Indianapolis. They have within 24 hours apprised me that they are going to make a very earnest bid for this research station. They are close to an adequate labor supply; they have splendid railroad facilities, geographical location, and everything; and without making a special plea for my city, I wonder why there are not certain arguments for the Midwest that can be advanced as against the Pacific coast. For instance, protection from foreign invasion and greater security. Have those considerations been taken into account?

Dr. ABBOT. I consider, Mr. Chairman, that the probability is that there will be other stations required in order to keep up with the immense development of research in foreign lands; that the one which is immediately needed now is Sunnyvale, on account of the large production of military planes on the west coast, but that it is probable that the Committee will be coming to the Congress later on for other stations in other parts of the country as well. Is not that so, Dr. Lewis?

Dr. LEWIS. That is so.

Mr. TABER. Have we quite a set-up in Wright Field in Cleveland now?

Dr. ABBOT. There is a testing station at Wright Field for the uses of the Army.

Dr. LEWIS. An experimental engineering station.

Mr. LAMBERTSON. My colleague speaks about the Midwest. The Midwest would be Wichita.

Mr. LUDLOW. That is a question of interpretation.

LOCATION OF WIND TUNNELS AND OTHER EXPERIMENTAL FACILITIES

Mr. TABER. I am a little bothered about another thing. Gentlemen in the Army are, of course, always interested in development. They told us that Germany already had 5 research laboratories, and as I understood Dr. Lewis when he enumerated the list of research activities that we have, he enumerated, if I remember right, 10 or 12 places that had wind tunnels. He did not enumerate Wright Field, and he did not enumerate the set-up in Philadelphia.

Dr. LEWIS. May I answer that, Mr. TABER?

Mr. TABER. Yes.

Dr. LEWIS. I understood you to ask me about the educational institutions that had facilities for wind tunnels. I did not mention facilities of the Army, Navy, and Bureau of Standards.

Mr. TABER. No; I asked you where the wind tunnels were, and the research facilities. I did not mention education.

Dr. LEWIS. There is a wind tunnel at Wright Field, and they are constructing a larger one.

Mr. TABER. When the last aeronautical program for the Army was under consideration, at the hearing held by the subcommittee in charge of the Army appropriation bill, General Arnold said, as appears on page 32 of that hearing:

"The construction of any new research facilities for the N. A. C. A. would have little effect on our production of planes to bring the number to the 5,500 level. Likewise, the securing of more performance from planes now on hand would be dependent on the research facilities or the laboratory facilities that we have at the present time, but additional facilities would help us 2, 3, or 4 years from now. It would take that long before the facilities could be created."

What about that?

Dr. LEWIS. We plan for Sunnyvale to have the first wind tunnel ready in 9 months to a year, to be available to actually assist in the design of the new type of airplanes.

Mr. TABER. Here is a statement with reference to the location of these facilities, made by Colonel Jouett, representing the manufacturers, as it appears on page 325 of the same hearing. The question was as to whether research facilities should be near the center of airplane production. Colonel Jouett said:

"Not necessarily near the center of airplane production, because, in some ways, it is better to have them a little distance from the center of airplane production, because then the airplane-manufacturing people are not so inclined to bother the fundamental researcher. Langley Field has some facilities for applied research, in that they have a water run where they try out floats, and a full-size wind tunnel and other facilities where wings can be tested. In general, however, a university like Boston Tech or California Tech or the various others around the country can have facilities that would be of great benefit to the manufacturer in carrying out applied research. They should be handy to the manufacturer so that he has not transportation problems or does not have to waste a great deal of time visiting them."

For the California manufacturers we have a set-up in southern California, and we have another set-up in the University of Washington for the people in the Northwest, with wind tunnels and research facilities.

I am wondering to what extent those facilities take care of the needs of these people out there.

Dr. LEWIS. They do not begin to meet the needs at the present time, and it is necessary for the Government to have research facilities on the west coast if we are going to safeguard the expenditure of all the money we are going to put into military airplanes. What we are asking for is $4,000,000, not simply to be spent in a year, but as a permanent investment.

AVAILABILITY OF RESULTS OF RESEARCH BY FOREIGN GOVERNMENTS TO OTHER COUNTRIES

Mr. CANNON. To what extent are the results of the research done by foreign governments available to other countries?

Dr. LEWIS. In Germany, none.

Mr. CANNON. Then your cursory observations would be of no value, the results of their researches were not available on the surface.

Dr. LEWIS. No. The results of their researches are not available; but their new wind-tunnel equipment, which is in advance of anything we have in this country, indicates they are obtaining valuable results in the development of high-speed airplanes. One wind tunnel has a speed of 700 miles an hour and requires 15,000 horsepower.

Mr. TABER. Is there anything like that contemplated in this California project?

Dr. LEWIS. Yes, sir.

Mr. TABER. How high is that speed, and how much power is involved in it?

Dr. LEWIS. We have listed that as a wind tunnel, with a capacity of 600 miles an hour but the horsepower may be changed to increase the air speed. That was put down before I went to Germany.

NUMBER AND LOCATION OF RESEARCH STATIONS NEEDED

Mr. LUDLOW. How many research stations do you think we ought to have in this country?

Dr. LEWIS. I would like to ask Colonel Lindbergh to answer that question.

Colonel LINDBERGH. It is hard to answer that definitely. I think Dr. Lewis has very accurately stated the situation abroad.

While it is true that a few years ago we definitely led in research, largely through the N. A. C. A., we have now fallen seriously behind so far as our military research facilities are concerned. During a recent period when foreign countries had relatively less research facilities than they now have, even during that period they went ahead of us in performance of military aircraft. So I cannot see any chance for us to catch up with them again on military performance abroad without increasing our research facilities.

Our manufacturers and scientists are, I believe, as able as any in the world. But they have not the necessary equipment and necessary facilities to keep up with the people abroad.

As to numbers, I think it is a little misleading when we speak about wind tunnels at these different universities. They should not be compared to the research stations we have, although they are of extreme importance. They should be used largely for training personnel, for the training of students in aeronautical qualifications.

As Dr. Lewis said, most of the large ones were put in by the Guggenheim Foundation. At the present time some of those are in a pretty difficult condition.

I was in California recently and I stopped at one university where the original Guggenheim grant has been exhausted. There is even a question whether they can carry on the work for another year.

To my mind it is just as important to keep the universities in a position so that they can do this work and educate their students as it is to put in large additional stations.

I think if we put in another research station it is advisable to put it on the west coast because over half of our aircraft industry is on the west coast.

If we put another station on the west coast and give reasonable support to the university facilities that now exist we will be taking a wise step. And I cannot overemphasize the importance of supporting these universities. I think that is one of the most vital matters now facing us because they need that badly.

If we will support the universities and put in the additional research station, then I think we will be taking a long step toward putting ourselves in a position to regain the leadership we once held.

I do not mean to give the impression that we have lost all of our leadership. Our manufacturing equipment and workmanship is still ahead of that abroad. But in the major types of military aircraft we have fallen behind, and that is why I believe it is so important to increase our research facilities. I think that is the key, without which we cannot equal foreign nations.

Mr. LUDLOW. Without desiring to commit you as to the matter of a choice between Wichita and Indianapolis, what would be your thought about having a research station in the middle part of the country?

Colonel LINDBERGH. Without placing the location, I think there should be an engine research station eventually established somewhere in the eastern section of the country. That should be in relation to the needs of the factories that now exist. But if we have an aerodynamics research station it would be a mistake, I think, to put it too far from the west coast, inasmuch as we now have one on the east coast, and I think the major part of our production is on the west coast, between southern California and Seattle, Wash.

Mr. LUDLOW. Assuming that ultimately there will be several research stations, and if we had three or four, how would you distribute them?

Colonel LINDBERGH. I would have to make a study of that. I think the next step should be to put one on the west coast. After that, offhand, I should think we should need an engine research station on this side of the center of the country.

On the other hand, I think it is a little too early to suggest where that should be placed. If we can make use of the universities, that will help us a great deal now.

STATUS OF FACILITIES AT UNIVERSITIES

Dr. ABBOT. A great deal has been said about the facilities at the universities. They can do good theoretical work and solve important smaller problems, but they do not have wind tunnels of anything like a capacity of 700 miles an hour—great, tremendous wind tunnels, capable of doing the advanced work that has to be done in view of the new conditions.

Colonel LINDBERGH. No; their wind tunnels are, and I think should be, relatively small.

Dr. ABBOTT. They do excellent work as it is, but they cannot do this other work that is required.

Dr. LEWIS. Our committee has encouraged educational institutions as much as possible with the funds that have been allotted to us, but $25,000 is a very meager amount.

But the universities come through in fine shape. I have a list of 12 reports that our committee has issued as a result of research that we have allotted to universities which we knew had the particular equipment which made them well qualified to carry out those research problems.

The point I want to particularly emphasize is that with the research facilities abroad we have to use everything we have in this country if we are going to catch up. That is why we are asking for more money to encourage research in the educational institutions.

Mr. DITTER. Do you look upon the Sunnyvale proposition as a contribution in the field of the development of commercial airplanes as well as military airplanes?

Dr. LEWIS. I certainly look upon the Sunnyvale proposition as a very vital proposition in both fields.

Colonel LINDBERGH. May I emphasize again the importance of the work done at the universities, especially in view of the small expenditures at those institutions. We are not at this time putting a tremendous amount of money in the work at the universities, but I think there is not anything more important than that work.

Mr. WOODRUM. We are very glad to have had you gentlemen with us this afternoon and appreciate the statements you have given us, and I want to thank Colonel Lindbergh particularly and say that we are especially glad to have had you with us this afternoon.

Mr. LUNDEEN. Mr. President, I have just stated the comparison between the miles of flight made by the Pan American Airways and flyers of other nations. The North Atlantic has been flown many times. As early as 1919 the two gallant British flyers, Alcock and Brown, were the first to make the crossing. Our own Navy was not far behind in that same year with the organized flight of the *NC* boats under command of Admiral Towers, now head of naval aviation, and Captain Read, the skipper of the one flying boat to complete the route to the continent and who now gallantly commands the Navy's great aircraft carrier, the *Saratoga*.

Lindbergh, Byrd, Chamberlain, innumerable others have made that flight as a matter of individual achievement in American planes. Englishmen, Frenchmen, Germans, and Italians have done it in the planes of their countries. But when it became obvious that between these two groups of people, our own and those of western Europe, a regular air service was inevitable, Pan American Airways, an organization of enthusiastic, intelligent, skillful young Americans, was the only organization in all the world able to establish that route this year upon a regular basis of business regularity. By air, in the modern way, and from every direction, we control access to our country, here at the crossroads of the world.

THE AMERICAN WAY WINS

Hence the importance of this first commercial crossing of the North Atlantic. Hence the triumph of Pan American Airways is more than a great success for a corporate entity. Communication by air was inevitable. Was the chanel of that communication to be our kind of a chanel or a kind of a channel very different from ours?

Let us look back for a moment. Let us remember that the art of mechanical flight is an art native to our own land. Two ingenious Americans, the Wright brothers, Orville and Wilbur, solved that problem. On their own, with their own slendor resources, they brought to man the wings he had aspired to since our earliest myths. Barely a decade after their first flight on the dunes of Kitty Hawk, their invention was put to the sanguinary test of war. In war's crucible, for almost 3 years before we were drawn into it, the airplane grew from an instrument of doubtful scouting value into a decisive implement of combat. Our airplanes played no great part in that combat. The stress of war in Europe had forced technical development so far that when we were drawn into the maelstrom we never caught up with the aeronautic advances of either our associates or our enemies.

WORLD WAR AND AVIATION

Hence it was perhaps natural that for a decade after the war we lagged behind in the civil use of aviation. In allied

and enemy countries bombers were converted into transports. Within a year of the close of hostilities Europe was criss-crossed by more or less subsidized air-transport lines, while in this country civil aviation was confined to the occasional barnstormer and to more or less sporadic and unreliable attempts to carry the mail.

Out of those attempts to carry the mail came a young man who, by his fine character and courage, perhaps more than through any technical advance he demonstrated, fired the imagination of the United States and of the world. I refer to the flight to Paris of the Lone Eagle, Charles A. Lindbergh.

The flight came near to the climax of a mad era of speculation. Even though most people said they would never fly "unless Lindbergh were the pilot" there were thousands who thought that financially the airplane could carry them to the pot of gold at the end of the rainbow. Most of these deluded gentry risked not only their own but that great commodity of those days, other people's money. There was at least one brilliant exception. Juan Terry Trippe had been a naval aviator during the war. His ancestors had been seafarers for generations. From the banking house in which he sought to start his business career, his eyes and his imagination kept drifting to the sea and to the sky.

YOUNG ENTHUSIASTS PITCH IN

Fortunately he found other young men with money and with the same imaginative trend as his own. Twelve of them contributed $25,000 each, of their own money, not other people's money. And then, in the autumn of 1927 they found that little company named Pan American Airways, Inc., one of whose active officers was George Grant Mason, Jr., now a distinguished member of the Civil Aeronautics Authority. That company had won a contract for carrying the mail between Key West and Havana. And Mr. Trippe and his friends had $300,000 with which to finance the commencement of that short flight, the beginning of the almost 42,000 miles of foreign air-mail routes over which Pan American's airplanes fly today.

Mr. Trippe and his group not only had the money, they had made arrangements for the use of the first generally successful multimotored plane, the Fokker trimotor, then new to this country and to the world. Up to this moment it is sound aviation doctrine that only in multimotored planes is it safe to carry passengers. Up to this moment the use of multimotored airplanes is typical of the fashion in which Mr. Trippe and his associates have expanded their business. They have always known what the next step in that business would be, and they have always been prepared to take it.

Having started to Cuba the next step was obviously to go further into Latin America. The step was not as easy as it seemed. As early as 1919 Dr. Von Bauer, an Austrian war ace, had inaugurated an air service in Colombia and extended it up through Central America to Cuba. By 1929, German and French lines had encircled South America and were preparing to connect those lines with their home countries by flying the relatively short ocean hop between Dakar, in Africa, and Natal in Brazil. By the use of fast cruisers across this stretch of ocean, the French had already made Buenos Aires only 9 days from Paris, whereas it was still 18 days away from New York.

AVIATION SUPREME IN NATIONAL DEFENSE

I will say to the Senate that I would not consume the Senate's valuable time on this occasion if I did not think that the subject is of vital importance to the defenses of this country of ours; that it is vital that we hold the supremacy of the air in the Western Hemisphere, and that we sail the clippers of the air, as the clippers of the sea once were, into every harbor and port of the earth.

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

Mr. LUNDEEN. I yield.

Mr. McKELLAR. Some 2 years ago Mr. Trippe, the head of the Pan American Airways, came before the Senate Committee on Appropriations and testified at length about the building up and the goal of the Pan American system. I wish to say to the Senator that, while that hearing was confidential, having never been printed or made public, we were reminded, by that recital, of the remarkable romantic stories of the Count of Monte Cristo, Jules Verne's 20,000 Leagues Under the Sea, and others of a similar nature, only the recital which was made to us by Mr. Trippe was infinitely more interesting and practical and one which ought to make every American feel proud that he is an American citizen. I hope that sometime those proceedings may be published in the newspapers, because it would be a marvelous thing for the American people to read the portrayal that was made at that time by Mr. Trippe to the committee.

Mr. LUNDEEN. Will the Senator indicate the date of the hearing referred to, and the nature of the hearing?

Mr. McKELLAR. Time passes so rapidly that I cannot say.

Mr. LUNDEEN. What committee was it?

Mr. McKELLAR. It was before the Committee on Appropriations 2 or 3 years ago.

Mr. LUNDEEN. Was that a subcommittee?

Mr. McKELLAR. It was before a subcommittee, but I think most of the members of the committee attended. The statement was remarkable.

Mr. LUNDEEN. I will say to the able Senator that I have observed Mr. Trippe, and I have a profound admiration not only for his ability, but for his Americanism and his outlook upon the future of aviation, the dawn of which we are just witnessing—and it is merely the dawn.

Mr. McKELLAR. It might be stated further that Mr. Trippe was 38 years of age at the time he testified. His statement was the most remarkable exhibition of a great industry that I ever heard related by anyone.

Mr. LUNDEEN. I thank the Senator; and I will say further that Mr. Trippe heads an able group of officers and men unequaled anywhere in the aviation world.

The statement of the Senator is well taken. I wish to touch upon other companies besides Pan American, the American Export Co., and other companies which are in competition. They are American companies. We are all proud of their marvelous achievements.

I have just referred to the French making the Paris-Buenos Aires journey in only 9 days, when we were taking 18 days from New York.

SOUTH AMERICAN TRADE

This was at a time when, while the European nations had been busy in their own cockpit of war, we had increased our share in the two-billions-a-year foreign trade of South America from about 16 percent before the war to 30 percent afterward.

Into this crisis in our foreign trade leaped Mr. Trippe, Mr. Mason, and their young associates. They brought to their organization men who knew Latin America and men who knew flying. Again, on their own, with their own money for negotiation and organization, they acquired flying rights in almost every one of the countries to the south of us.

I should like to remind Senators that these men acquired their own air fields and lighted them. They established weather and other services in South America and paid for them themselves, without Government subsidy. We certainly owe any company which performs a service like that a tremendous debt of gratitude.

WE CIRCLE SOUTH AMERICA

By 1936, from Los Angeles, Brownsville, and Miami, Pan American lines went to and through Latin America paralleling the Germans and the French, penetrating the interior where the Europeans had not gone, and generally making their system not only the most important air line in the Southern Hemisphere but the most far-flung means of transportation of any kind in that hemisphere.

Remember that the French and the Germans got their start in Latin America because of the surplus of war planes on their hands after 1918. Strangely enough, that phenomenon is repeating itself; but this time it is not a surplus of airplanes remaining over after a war. It is a surplus of airplanes existing because of frantic preparation for war. Those airplanes are being dumped into South America not only by the Germans but by the Italians and to a lesser

extent by the British and the French. They are being offered to companies in South America at prices only possible for surplus war material.

Let us not minimize the danger of such measures, not only to our business in South America but to the actual military isolation of this country. An air-transport plane cannot easily be converted into a bomber. But the same base from which a transport flies is adequate to a bomber. The same radio beams that guide a transport may send a bomber on its mission and bring it back home. The same engines and spare parts which serve to keep a transport plane in the air may well keep a bomber at the peak of its flying efficiency. These foreign civil air bases and all their facilities are today within easy bombing range of a sector of the United States, including this very city of Washington.

STRATEGIC AIR BASES

For that reason I have introduced five joint resolutions concerning islands on the west coast within 1,500 miles of the Nicaraguan-Panama Canal Zone; islands which belong to various countries and which should now be acquired by the United States. They should be under our flag.

Just the other day I was glad to insert in the RECORD an article reporting that the Canal Zone authorities favored these measures. I have two other joint resolutions concerning islands to the east of the Canal Zone and along our Atlantic seacoast.

I hope that the Congress of the United States, perhaps in the coming year or sometime in the near future, may act upon these joint resolutions or on similar measures. I want to see this thing done. If the majority wish to take the matter up, I shall be delighted to support them, of course.

OUR GOVERNMENT STEPS IN

In many cases the very arrogance of nations which seek to supplant us with our southern neighbors is defeating its own purpose. The long record of achievement of American planes and of Pan American Airways can stand the test of that kind of competition. Every possible measure is being taken to help them meet that test. By lighting and marking the airway through our own West Indies the Civil Aeronautics Authority is ready to enable Pan American to shorten its time to Buenos Aires by almost a day.

However, all that our Government may do does not alter the fact that the real burden of competition in South America rests upon the broad shoulders of a private American company. Its competitors from Europe are not only directly sponsored and strictly controlled by their own governments; they are heavily subsidized and consciously directed to the attainment of economic and strategic ends.

CAN AMERICA HOLD HER PLACE?

Let us take no fatuous assurance from the fact that the United States led the world in aeronautical exports in 1938, with $68,000,000 worth of planes, engines, and accessories. I have just seen an analysis of the world trade in aeronautical material prepared by the Aeronautical Chamber of Commerce, which represents all important aviation manufacturers in the United States. For the first time Germany led Great Britain in second place in the aeronautical export field. Italy was fourth, and France was fifth. The important fact in those figures is that Germany and Italy combined, exporting $36,000,000 worth, led France and England combined by almost $6,000,000. Further analysis of the figures shows that these powers thus assumed the lead largely because of their exports to South America.

Our aeronautical trade in South America is important. In 1938 we sold there $12,518,000 of such goods, providing a full year's employment for 3,000 of our wage earners at home. Germany and Italy sold in South America last year some $7,400,000 worth of aeronautical material, which would have provided a year's work for 2,000 more of our artisans had it been bought in the United States.

BATTLE FOR SUPREMACY IN SOUTH AMERICA

The result very largely of this intensive drive by these countries for this kind of trade in Latin America is that, for the first time this year, German-owned or German-controlled air lines have more route-miles in our southern hemisphere than we have; for where the equipment is of one national origin in South America, operation will be in the same national hands. This is particularly true of the German and Italian equipment, for these countries have pushed its sale in South America by the most intensive methods of penetration. German salesmen who go to South America boast that they are prepared for their task by training, not only in the design, operation, and maintenance of German planes and equipment, but by comprehensive courses in the history, politics, economics, and social habits of our neighbors to the south, and, of course, by intense indoctrination in their own national socialism and the best methods of spreading its ideas among the peoples to whom they are sent as trade emissaries.

Can we meet such competition? I venture to believe that we can. Wherever our planes and engines come into competition with the planes and engines of any other nation on even terms, without political or nationalistic pressure, they win the popular support of patronage. This is particularly true, for instance, on the lines of the Royal Dutch Airlines. Despite the small extent of Holland, and despite its absorption first in the development of the great air line which binds the mother country to its colonies in the East Indies, clear across Europe and Asia, the Royal Dutch Airlines have successfully operated a network of passenger and mail lines throughout Europe for the past few years very largely because they have used American airplanes, which by their superior speed and comfort draw patronage from all passengers who have a choice between them and the planes manufactured by any European power.

AMERICA FIRST THROUGH THE AIR TO CHINA

So it has been in the air-transport struggle in South America. Up to the present time Pan American has not only held its own there, but has acquired the experience in foreign and ocean flying which enabled it 4 years ago, when need arose to span the Pacific, to make stepping stones out of Hawaii, Midway, Wake, Guam, and Manila, and bring the American flag first through the air to China.

KNOWLEDGE IS POWER—IN THE AIR

But if, at this juncture, Government fails to play its part, the results may be tragic. Government has a part to play in husbanding and directing typical American ingenuity and initiative. Look at the lesson of all industry. That industry which fails to husband and direct its own initiative is a dead industry. Millions of dollars are spent every year in directing initiative in every worth-while industry in the United States. It is husbanded and directed through research.

RESEARCH, RESEARCH, AND STILL MORE RESEARCH

I wish I could emphasize the word "research" to all Senators within the hearing of my voice and all Senators who are not now in the Chamber because of other and important business. I wish we would emphasize research. I have inserted in the RECORD the statement of Colonel Lindbergh, because the statement has been repeatedly made that the Germans have 10 times the research facilities which we have. I am not reciting any of these statements about foreign countries in any spirit of hostility. There is every reason why we should have appropriated funds for Sunnyvale, the research establishment on the west coast, or for other like establishments. We should provide ample research facilities.

The aviation industry has not lagged behind in this respect. Some $40,000,000 has been expended by the private makers of airplanes, motors, instruments, and equipment in the last 3 years in merely finding out what better kinds of airplanes, motors, instruments, and equipment can be made. But there has been a sad lack of coordination for all of those fine efforts. No private industry in aviation can afford to cover all of the ramifications to which research into even the simpler problems may lead. That requires the disinterested service of Government.

Government has long accepted that responsibility in its establishment of the National Advisory Committee for Aeronautics, with its research center at Langley Field, Va. Langley Field was the model for all research centers in aviation.

It was copied in almost every other country with pretensions to power in the air. It was more than copied. Within the last 3 years it has been reproduced over and over again until now, we are credibly informed, Germany alone has no less than six research centers, any one of which is as large as Langley Field and, perhaps, as fruitful.

COL. CHARLES A. LINDBERGH

We do not have to guess about that. That fine young American, Col. Charles A. Lindbergh, with whose distinguished father I had the honor to serve in the House of Representatives has, tragically and certainly through no fault of his own, been compelled to spend the last 4 years away from his native land. That time was not wasted.

At the cost of his leisure, at the cost of the privacy he values so highly, sacrificing the company of the little family to which he is so deeply attached, he has traveled through every country in Europe; and everywhere the magic of his name opened doors to him that were closed to all others.

And now back in this country he has brought to the committees of this Congress the most definite information any of them have yet received as to the lengths to which aviation has developed abroad. And not the least startling phase of his reports has been his conclusion, several times repeated, that unless we press on with our research we will soon be outdistanced in all fields of aviation as, he believes, we are already outdistanced in certain special fields.

I should like to have my fellow citizens realize, with me and with other Senators, that so rapidly does this great industry move forward that, unless we keep pace with the forward movement, we will be left hopelessly behind.

On July 10 Colonel Lindbergh appeared before a subcommittee of the House Appropriations Committee to plead for the passage of the bill to establish a second Langley Field on the West coast. Unqualifiedly he stated that unless certain research projects were begun—projects for which the facilities at Langley Field are admittedly inadequate—there will be certain definite deficiencies in the airplanes now being designed to carry the American flag, in competition with others, in South America and elsewhere in the world.

AMERICA CANNOT NEGLECT INCREASED RESEARCH FACILITIES

That is expert evidence this country cannot neglect. Those increased research facilities should be provided, at whatever cost. I have no interest in their location. All I know is that those facilities should be located at the place where those who are depending upon them want them located. The testimony of the Army, the Navy, the Civil Aeronautics Authority, the aviation industry, was unanimous in its agreement with the plans presented by the National Advisory Committee for Aeronautics calling for the use of the facilities at Sunnyvale, Calif., because those facilities are so close to the tremendous factory capacity in airplanes that has been built up on the West coast in recent years.

With that testimony Colonel Lindbergh agreed heartily. It is proposed to spend $4,000,000 immediately and to authorize the expenditure of $8,000,000 additional for this purpose.

The question I should like to ask at this point is, What is being done about that? Where are the duplications of Langley Field? Where are we erecting them? Or are we failing to do this thing which all our great national experts say should be done?

In this connection I desire to recall that I voted for the 6,000 airplanes for America. I should like to see America in the lead in aviation, as it was at first when two immortal Americans invented this great instrument of travel—the airplane.

Colonel Lindbergh, the man who, through his life's experience and his very up-to-the-minute knowledge of what is going on in the rest of the world, swears to the necessity of such a step.

THE SCIENCE OF AERONAUTICS

The science of aeronautics is perhaps our youngest. The frontiers of that science are almost limitless. It is only through properly guided and coordinated exploration that the frontiers of our knowledge can be pushed into the future of aviation, and in that future, more than in any other, knowledge is power. To fail to acquire that knowledge as the experts tell us we must acquire it, at a cost of $12,000,000 over a period of the next few years, would, indeed, be a betrayal of that spirit of American initiative that has enabled us to be first in commercial flight across the North Atlantic. I refuse to believe that we will fail or permit the leaders of our aviation industry, like those who won the North Atlantic for us, to fail.

I should like to recall at this moment the statements that appeared in the press of this country at the time of the Munich conference. I do no wish to give expression to any alarm or sentiments or to intrude into the quarrels of Europe, but it was reliably reported that it was air power in the hands of one great nation that, so far as that crisis was concerned, proved decisive. In the future it may be well to keep that in mind, as the Congress meets from time to time and year after year, aviation research must not be neglected.

No wonder that company again was ready when the time came to be the first to fly the North Atlantic. It is as seriously concerned with the problem of South America as anyone. Now that its officials can give renewed attention to that problem and if, particularly, it is backed by every applicable energy of its own Government, if American manufacturers continue to cooperate with it and with each other in the study and supply of this important market, I think we need have no fears for the ultimate triumph of American ingenuity and initiative there, or any other place in the world.

THE ATLANTIC VICTORY

A word about the history of this victory in the North Atlantic will, I think, confirm my optimism as to this result. From the moment of Lindbergh's flight in 1927, every nation with interests on either side of the Atlantic has been studying the possibility of its commercial flight. These studies came to a head in 1935. On July 2, in response to inquiries from abroad, President Roosevelt formed an interdepartmental committee with representatives of the State, Treasury, Post Office, and Commerce Departments, to handle the problem of foreign air-line extensions. During succeeding months, conferences were held with the British, Irish, Canadian, French, and German missions which came to this country. The only definite result at that time was the conclusion of an arrangement whereby Pan American Airways agreed with British Imperial Airways that both should commence commercial crossings of the Atlantic at the same time and that each could avail of the home facilities of the other.

About a year ago, however, the situation changed again. Pan American Airways, by placing with the Boeing Aircraft Co. definite orders for six of the largest and most effective flying boats yet built any place in the world, had put itself, so far as equipment was concerned, far ahead of Imperial Airways or any other competitor. As these great planes approached completion, the British announced that by last spring, before the Boeings could be ready, they intended to link up their so-called empire route by regular flights from London to Montreal.

BRITAIN FOR ONCE OUT-MANEUVERED

Yes; they would faithfully observe the agreement with Pan American and not send their planes into New York before Pan American was ready to send its planes out of New York. But there was a notable reluctance to negotiate the details of Pan American's imminent flights.

Fortunately, almost prophetically, the Congress had made provisions which enabled the United States effectively to meet and counter this diplomatic plan. A year ago Congress united all authority over civil aeronautics in a single independent body responsible only to Congress and the President, the Civil Aeronautics Authority. The President, in pursuance of law, had abolished the interdepartmental committee. The Civil Aeronautics Authority, among whose capable members sat Mr. Harllee Branch, a veteran of the Post Office's handling of air-mail problems, and that same Mr. Grant Mason, who 12 years before had participated in

that first little Key West-Habana line of 251 ocean miles, which had grown since 1928 to the 42,000-mile system of Pan American Airways, was able to act directly through the State Department.

The result of that action was a reciprocal agreement with France, providing for commercial air-line services between the two countries. The effect upon London was electric. Within a very few days it was announced that any American air line was quite welcome to land in British home territory, with the proviso only that British lines might later land in the United States with equal frequency.

REWARD, BUT NO MONOPOLY

This, however, is the heaviest transocean traffic in the world. Obviously, it was not in the American tradition to confine this traffic to a single American company. Of the total of trans-Atlantic passenger travel in first and cabin classes by steamship, 47 percent goes to the United Kingdom, 27 percent to France, 11 percent to Germany, and 8 percent to Italy. The remaining 7 percent is divided.

A successful American steamship line, the American Export Steamship Co., had already indicated its desire to supplement its surface transportation by transportation in the air. It had gathered a skilled air personnel, it had ordered experimental airplanes, and it had made studies of the problem, second only to the very extensive surveys that had been made by Pan American Airways.

Under the terms of the international agreements mentioned, six landings a week are available in England and France to American air lines. Very wisely, therefore, the Civil Aeronautics Authority has for the present limited Pan American Airways to two of these frequencies, with the announcement that, if traffic warrants it before an American competitor comes into the field, its number of weekly crossings may be increased to four. The Authority has expressed the determination to preserve at least two of these frequencies for American Export Airlines or any other American company that may apply for them and prove itself capable of using them.

THE BLUE RIBBON OF THE ATLANTIC

But Pan American Airways had already proved its capability; it was ready to go; it has gone on to carry the American flag first through the air on this most valuable of all transocean air lines. Through its long and brilliant achievements on the other oceans of the world, through its accumulation of the most highly skilled personnel, through its development of its own radio facilities and its own technique of flight, through its purchase of these six magnificent new airplanes, and through its attainment of a safety record never remotely approached for its small number of casualties to passengers and crew by any comparable air operation in all the world, it had well earned the right to make this flight first.

Let me say to the Senate in that connection that these great clippers of the ocean are of 41 tons, 82,000 pounds. Within them there is an ample walk 80 feet in length, a promenade. The berths within those clippers are as comfortable as any Pullman. The seats are upholstered and most comfortable and convenient; in fact every facility for comfort that can be found on any de luxe train is found on these very clippers.

REAL SAFETY OVER THE SEA

As has been said before, Pan American pioneered in multimotored airplanes. It has always insisted that its planes be capable of safe flight even though one of its two or three motors fail. Its four-motored ships can complete their assignments in safety if even two of their motors fail. And now a further step has been taken. The clippers which fly the Atlantic are so large and so well-designed that each of their four motors is accessible to an engineer any time in flight. Any one or any two of them can be stopped and repairs, approaching major repairs in character, can be made from within the wing or within the nacelle without interruption to the plane's safe progress in the air, without the necessity of landing on the sea.

Already the possibility of this has been twice proven. On 1 of the 10 or more flights already made with scheduled loads, 1 motor has been stopped, an engineer has stepped through the wing, minor repairs have been completed, and the engine started again. And throughout it all no passenger, even passengers who were experts in the air, perceived, in the huge and comfortable cabins, any slightest variation in the steady flight of the plane.

AIR COMMERCE

Proud as we may be, gentlemen, of the foreknowledge and discretion with which Congress and the executive departments concerned have handled this problem, the final and the greatest glory goes to those courageous, intelligent, patriotic young Americans who 10 years ago first carried the American flag over the seas. By their devotion, by their technical skill, by the knowledge of the world in which they moved, they have proved themselves worthy successors to the masters of the clipper ships of other days who by their skill in construction, by the knowingness and courage of their seamanship, made the Stars and Stripes known and respected in every harbor of the world which our trade penetrated.

We must have commerce with the rest of the world. I am glad, I think every Member of this House should be glad, I think the people of the United States will be glad and proud and confident that our air commerce, so vastly influential upon all other commerce in this day and age, is in such loyal and such skillful hands.

What does this "blue ribbon of the North Atlantic" mean? Any shipping man can tell you that. The possession of the finest, largest, fastest, and most luxurious liners, even though they are run at heavy loss on their own operation, have invariably produced profits for those who operate them many times their own losses in freight and other profitable services of a less spectacular kind. That is the reason for the *Queen Mary*, for the *Normandie*, for the *Bremen*, the *Europa*, and the *Rex*. That is the reason for the Broadway Limited, the Twentieth Century, the Empire Builder, the Chief, the great de luxe trains of our railroads. They set a fashion—and, rightly or wrongly, trade, profit follows fashion in the world. Already, in the air over the North Atlantic, Pan American Airways has set a fashion and established a vogue. With a year's start it will be difficult, indeed, for any nation to catch up with us.

We hear from time to time of imminent flights across the North Atlantic by the British, the French, or the Germans. I will believe these reports when, as a Member of the Senate, I am able to entertain here in Washington a member of the British Parliament who has flown to this country with the speed and comfort that enabled me last month to enjoy their hospitality on the charming terrace of historic Westminster Hall.

OUR REAL GLORY IS AT HOME

But let us not permit the dazzle of these conquests of the ocean to blind us to the solid achievements and the formidable advance of our civil aviation establishment at home. To do so would be false modesty indeed. I venture here and now to predict that for aviation in this country, this year of 1939 marks the attainment of that industry's majority. No longer is it an infant industry. It now takes its place not only as a vital, an irreplacable element in our national defense, but it has become a public utility serving 3,000,000 of our people annually. To them, to those people who habitually or occasionally make use of the scheduled air lines or of nonscheduled and private airplanes, the airplane is as common a utility as the electric light or the telephone to the people of a city almost as large as Chicago.

TWELVE HUNDRED PASSENGERS IN THE AIR

I do not wish to burden you with statistics. But as I talk to you here and now, as is true for almost every second of the 24 hours of the day and night, about 1,200 people, men, women, and children, are in the air on the scheduled air lines of the United States alone. With them flies from 15 to 20 tons of the United States mail.

It is difficult to give you any kind of an accurate statistical picture of the growth of this great new utility, this soundly flourishing new industry.

The statisticians of the Civil Aeronautics Authority, for instance, are just now completing the study of the year 1938 and its relationship with previous years. But, even as they are setting down the final figures for 1938, the first figures for 1939 make them pale into insignificance.

There were, for instance, 23,000 pilots and 10,000 airplanes licensed by the Civil Aeronautics Authority the first of the year. The 1st of July there were 26,144 pilots and 11,160 airplanes so licensed, an increase for the first 6 months of this year of 13 percent in the case of pilots and of almost 12 percent in the case of airplanes.

SCHEDULED AIR LINES

On the scheduled air lines during the last 90 days a new schedule has been put in operation every day, 90 new services in 3 months. Traffic on the air lines for April was 30 percent ahead of April 1938; it was 40 percent up for May; and while final figures for June are not yet available, the Wall Street Journal predicted on July 6 that the traffic increases for that month were so large that every air line in the United States would show an operating profit for June and that for the first 6 months of 1939 the air line transport industry as a whole would show a profit of $500,000. A half a million dollars profit in that 6 months is a profit of which almost any industry in the United States, large or small, might well be proud.

But let it be remarked here and now, it is a profit derived in the good American way out of service to the American people.

THE AIR LINES OF THE UNITED STATES

The scheduled air lines of the United States fly on routes covering 35,000 miles within the United States and 46,000 miles abroad, a total of 81,000 route-miles.

The airplanes on these routes flew 70,000,000 airplane-miles at home last year and 11,000,000 airplane-miles abroad, a total of 81,000,000 airplane-miles.

They carried 1,536,111 passengers, a total of 635,556,184 passenger-miles.

They carried 23,641,967 ton-miles of mail and 9,452,600 pounds of express.

All of the other principal air lines of the world, excluding Germany for which no official figures are available, maintained about 162,000 route-miles within and without their own countries.

But over this mileage, almost twice our own, all of the air lines of the rest of the world carried less passengers than the United States lines, only a third as much mail, and, while they carried more express, they included in express such items as excess baggage and newspapers which are not counted as express on the American lines.

All other lines carried only about 1,300,000 passengers, 8,000,000 ton-miles of mail, and 33,000,000 pounds of express.

For the 12 months preceding June 1, 1939, the air lines of the United States flew 42,000,000 passenger-miles per passenger fatality.

FIFTY MILLION PASSENGER-MILES WITHOUT A FORCED LANDING

For the winter months of 1939 the three principal transcontinental routes and the principal north-south route flew 50,000,000 passenger-miles without so much as a forced landing.

No other air-line operation in the world has ever remotely approached this record of safe performance.

To make but one comparison that comes readily to mind, Pan American Airways in its 10 years of operation, from Hong Kong to Buenos Aires, has lost but 3 of the fine fleets of flying boats it has successively put into service. Our British friends have built and used, in the last 2 years, 39 of the type of flying boat they propose to use on the North Atlantic. Including the *Cavalier*, which fell this spring between New York and Bermuda, 11 of these flying boats have become total losses either through crashes or fire.

The devotion of the air lines of the United States to safety in flying has paid big dividends in increased patronage. The close connection between the figures on safety and the figures on increased business on the air lines is inescapable. In all business, in all industry, in all economics, in all engineering, there are no two statistical Siamese twins more closely connected than these: safety in the air and increased volume of air traffic.

CONTINUED IMPROVEMENTS

The air lines themselves deserve much credit for this. By their improvements in equipment, by the better training of their personnel both in the air and on the ground, by the development of procedures ministering to safety, the air lines have done much. But, as in all competitive businesses, there have arisen occasions upon which one air line was tempted to take advantage of the misfortunes, or the caution, of another air line. In previous winters, when one air line canceled a schedule on account of adverse weather, for instance, it was not infrequent for another air line along the same route to take a chance, to seek to gain the business of its competitor by attempting to put an airplane through where the competitor had decided against a flight.

So one of the first things that the Civil Aeronautics Authority did last September was to sit down with the operators of the air lines in Chicago and persuade them to adhere rigidly to an agreement whereby if one line canceled a schedule on account of dangerous conditions, no competitor would attempt to make that flight.

Thus, we may well say that the declaration by this Authority governing civil aviation, that it was above all steadily preoccupied with the question of safety, had its influence upon making the great safety record, the fruitful and productive safety record that the air lines made last winter.

SAFETY IN THE AIR

Congress has long been concerned with this question of safety in the air. Back in 1926, when the first act was passed to regulate and encourage civil aviation, the concern of Congress for safety in flight expressed itself in two phases of regulation. It empowered the air bureau in the Department of Commerce to regulate the construction and operation of airplanes in interstate commerce. And it began the construction and maintenance of those aids to navigation through our common air which are so closely analogous to the aids to navigation upon the public waters of the United States, aids to navigation available to all who travel through either common domain.

From year to year, as aviation grew, these aids to navigation proved their worth. Congress has always generously recognized that worth. Quite properly, whenever an accident occurred, due to failure of the aids to navigation, or to their nonexistence in any particular place, Congress generously provided for material that would not fail or for filling in the gaps in the system. This policy has resulted in building up the system of Federal airways, 25,500 miles of radio-marked and lighted paths, a coordinated system of aids to navigation in the air throughout the United States whose completeness and efficiency can nowhere in the world be equaled.

THE FEDERAL AIRWAYS

You cannot see an airway, as you can a highway, or a railway, or a waterway. You may occasionally see the flash of a beacon as you travel along a highway at night. You may see the roofs of buildings marked with signs which can be read from the air. Nevertheless, in addition to all these things, there are 25,500 miles of airways within the United States definitely marked and just as accurate for a skilled pilot to follow as it is for you to keep to the right side of the white stripe in the middle of a broad highway when you drive an automobile.

There are 2,000 beacons on the airways, visible day and night, and spaced at approximately 15 miles from each other.

BEACON EVERY 15 MILES

I might add right here that in the air 15 miles is soon covered; the 15-mile bases do not seem very far apart. The

airplane flies from one to the other in a very short space of time. There are 300 emergency landing fields, about 50 miles apart, in addition to the airports.

But those are merely the good-weather aids to navigation. More and more the skilled pilot is flying in bad weather, day and night, and more and more he is flying above the clouds. In such flights, visible guide posts on the ground do him little good. He goes "on instruments," as he says. On those flights only the miracle of modern radio can guide him. And the most modern developments in all radio are now extending their invisible but readily audible fingers over 25,500 miles, the Federal Airways System in the United States. They connect every major center of population. They reach over mountains and deserts and seas where there is no population.

THREE HUNDRED EMERGENCY LANDING FIELDS

They are available not only to the great air lines that ply on regular schedule, but to every pilot whose plane is properly equipped to use them. This includes several thousand planes of the Army, Navy, and Coast Guard, which must regularly move from one place to another in the United States. It includes the 11,000 planes of private flyers who more and more are using their airplanes to get from one place to another, who are equipping their planes with radio and learning how to use it.

LIGHTER-THAN-AIR CRAFT AND HELICOPTERS

Mr. President, I am not going into the matter of the helicopters or the lighter-than-air craft. I have spoken on many occasions in the House of Representatives and in the Senate about various methods of flight. I will say that recently a small helicopter flew through the main entrance of a great auditorium and over the heads of an audience, and hovered for several minutes over the head of the chairman of that meeting, and then flew out, under perfect control. I repeat that we are just at the dawn, at the very beginning of a new world of travel.

RADIO AND THE AIRWAYS

The radio marking of airways depends upon the transmission of code signals into four sectors rather than in all directions as is generally done in entertainment broadcasting. These sectors resemble a pie cut into four pieces. Into two opposite sectors, or pieces of pie, is transmitted an "N" signal (dash-dot), into the other two opposite sectors an "A" (dot-dash). Within any sector the pilot receives either an N or A, but right along the edges of the sectors (or on the knife cuts) the pilot receives both signals. The N and A signals are staggered so that when the pilot is riding along the edges of the sectors he gets the two signals interlocking so as to form a continuous tone very different from either N or A. In different stations the sizes of the sectors (or pieces of pie) are varied so that their edges (or knife cuts) lie along the airway courses. These are known as the radio range courses, sometimes referred to as the "beams." They are, of course, not as thin as knife cuts, but gradually widen to a breadth of five or six miles a hundred miles away from the transmitting station.

When a pilot passes directly over the transmitting station, he hears nothing. For a moment he is in the "cone of silence" and he knows to within a few yards just where he is.

Mr. President, when have Senators heard of a radio beam failing in recent months or even in recent years? When the system was first inaugurated there were difficulties. Now we are approaching perfection in some matters connected with radio.

RADIO FINGERS COVER THE UNITED STATES

Look at the map and see how completely this system of radio fingers covers the United States. A pilot now can fly from any populous center to any other without ever losing touch with those fingers.

But the magic of these audible markings in the air is not enough. The pilot must know the condition of the air he is to fly into, as well as the direction of his flight. He must know what the weather is to be. Hence, on all these ranges, at regularly specified intervals, through the steady tone of the directional signal will come the voice of the weather broadcaster, with every detail of wind and temperature and visibility which the pilot is about to encounter rising like the words of a song clear above the musical accompaniment of the steady note of the directional beam.

AIR TRAFFIC CONTROL STATION

Furthermore, and in the same manner, voice communication can be used to and from many of these stations for emergency messages—orders to a pilot, answers to his inquiries. These stations are supplemented by the traffic-control stations of the Civil Aeronautics Authority which at different points throughout the United States assign to each plane entering a busy airway its altitude, its place in relation to every other plane on the airway, and the order in which all of them approach an airport and land upon it.

The information and guidance furnished by these radio stations is further supplemented by the radio stations of the air lines and the traffic-control radios of the major airports.

That is the Federal Airways System as it exists today. Every month it is being extended and improved, not only in the United States but in our island possessions and in Alaska.

SEEING ALASKA BY AIR

If I may diverge from the statement I am making for a moment, when we were on committee business in the Hawaiian Islands in 1935 and 1937, considering the matter of a statehood for the Territory of Hawaii, we members of the committee flew from island to island, where in years gone by the members of the Committee on Territories traveled by boat. These little interisland boats plowed through the waters between the islands and passengers would arrive at their destinations after a long tiring night of travel. Often they were much ill at ease during the voyage. Whereas now one gets into an airplane and flies from one island to another in a very short time, between some of them in 25 or 30 minutes. I think the longest trip between any of the islands is an hour and 10 minutes. I am informed there has never been a forced landing in all the 10 years of flight between these islands.

In Alaska, when I was there on Government business, my good wife and I flew from certain points to others in an airplane in the Alaskan Territory. Alaska is a Territory of such huge dimensions, such a great Territory that it is impossible to see it in a short period of time without traveling through the air.

DEVOTED PUBLIC SERVANTS

It is upon this work that the vast majority of the employees of the Civil Aeronautics Authority are engaged. Three-fourths of its personnel are in the field on this vital safety work. They are maintaining the airways—almost 2,000 are in communications alone. They are testing and inspecting airplanes and airmen.

It has been said on the floor of this Chamber—and I am sure that the unfairness of the criticism was unintentional—that this new Authority already has more employees than the Interstate Commerce Commission which regulates all the railroads and bus lines and pipe lines. I regret to say that that criticism has been extensively repeated as coming from this responsible source. So I should like particularly to put into the RECORD a statement to correct as far as possible what I am sure was an unintended injustice to a devoted body of public servants. I am sure the statement was made without proper foundation. It is true that the Authority has a few more employees than the Interstate Commerce Commission. It has more employees because its duties extend far beyond the regulatory sphere of the older body. It must, under the law as Congress enacted it, establish and maintain a far-flung physical plant. To compare it with the Interstate Commerce Commission in personnel it would be necessary to imagine the Commission charged not only with the regulation of the railroads, for instance, but with the design, erection, operation, and maintenance of the entire block-signal and telegraph systems of all of the principal trunk-line railroads of the United States, or with similar

concern with all of the lighthouse plants and personnel of our navigable waters, and with the examination of every train as to its safe condition, and every trainman as to his professional competence every 6 months.

CIVIL AERONAUTICS AUTHORITY

Unlike the Interstate Commerce Commission, too, the jurisdiction of the Civil Aeronautics Authority extends not only to the common carriers of the air, but to all private and military users of the airways. It extends not only to these activities within the United States but to our carriers abroad from Hong Kong to Marseilles and from Point Barrow, Alaska, to Buenos Aires in the Argentine.

There are some 9,000 commercial pilots in the United States, each one of whom must be examined physically and as to his technical skill each 6 months. In addition there are 53,000 private flyers, including student pilots, who must be examined periodically in the same way. There are nearly 12,000 civil aircraft for the safe operating condition of which the inspection services of the Civil Aeronautics Authority are, in the last analysis, responsible. All of these things it has been ordered to do by Congress, and very properly ordered to do.

If they fail to do them, if through any laxity an accident occurs, such as the unfortunate death of United States Senator Bronson Cutting 3 years ago, those laxities are very promptly brought out. After the death of Senator Cutting, in fact, Congress very properly and very generously provided for the extension and improvement of the Federal Airways System and largely increased the inspection responsibilities which the Authority inherited whole from the Bureau of Air Commerce with all of the 2,900 employees engaged in these activities pursuant to law before the Civil Aeronautics Authority was ever created.

SAFE AND USEFUL DEVELOPMENT

That work must be done. If it is not done, if the high standards of safety which have proven so fruitful in the records of the last few years are not maintained, we might just as well give up all thought of the development of civil aeronautics and close up shop entirely. For the only kind of development for civil aeronautics that is worth a penny's expenditure by the Federal Government is its safe and useful development.

And another mistake—a mistake very wide of the mark—was made when it was said that there are more employees in the Civil Aeronautics Authority than there are on the scheduled air lines. As of the 1st of March there were 3,601 persons on its pay rolls. Only 772 of these employees were departmental employees in Washington. The others, 2,829 of them, were the men in the field, operating the radio stations, tending the lights, spending hours of overtime, and flying from point to point on Sundays and holidays to keep up with the ever-growing volume of inspection work. As against those 3,601 employees of the Authority the scheduled air lines alone employ about 14,000. The best estimate is that other branches of the industry employ 40,000 or 50,000 men.

FAITHFUL AND LOYAL SERVANTS

But what I resent, what I resent deeply, in such criticism is the lack of appreciation of what these men on the radio ranges, in the weather stations, and at the emergency landing fields are doing for the safety of human life in the air. Fair weather and foul, they stand by. More than that, it is in foul weather that their services are most needed. The records of the Authority are full of stories of men plowing through snow or flood and darkness and storm to reach their stations on the mountaintops, in the deserts, to repair machines, to see to it that the steady note of the ranges, the periodic reports of the weather, do not fail the pilot when he needs them most.

Well may it be said of these men on the radio ranges and weather stations, the lightkeepers of the air, coast guardsmen on the coasts of infinity, what Herodotus said of those who made possible communication in an ancient day. The Post Office Department has made frequent use of a free translation of the passage. It appears on the facade of the Union Station here in Washington and on the pediment of the main post office on Seventh Avenue in New York, as follows:

> Not snow, nor rain, nor heat, nor gloom of night stays these couriers from the swift completion of their appointed rounds.

HERODOTUS AND THE COURIERS

That is an admirable tribute to the long-familiar faithfulness of the men in gray who serve the post office. But a scholarly friend of mine recently called to my attention a more literal translation of what Herodotus said. He was discussing, in book VIII, chapter 96, of his work on Urania, the astonishingly swift means of communication in that country. What he said may well serve as a tribute not only to the pilots in the air, our modern messengers, but to these ever-faithful men on the ground who enable them to stay in the air. Literally translated, Herodotus said:

> The Persian messengers travel with a velocity which nothing human can equal. * * * Neither snow, nor rain, nor heat, nor darkness are permitted to obstruct their speed.

In this day it is the tenders of the radio beams and weather stations who do not permit the elements to obstruct the speed of their brethren in the air.

SAFETY IN THE AIR

There is ample public reason for the maintenance of this corps of airway keepers. There is reason for their duties in the use our citizenry makes of the ways they guard. Probably 3,000,000 men, women, and children will fly this year of 1939. The concern of government for their safety in the air begins long before they step into the airplane. It begins with almost the first stroke of an airplane designer's pencil on the drawing board.

During the 36 years that men have been building and flying airplanes many designers have made mistakes. But each mistake that could be analyzed avoided other fatal mistakes like it. In the United States all that can be found of that world-wide record of trial and error has been embodied in the civil air regulations. They show the airplane designer what mistakes he must avoid. By mathematical calculation and out of long experience, the regulations lay down the limits of safety for every part of an airplane and its relationship to every other part. The result of following this accumulated experience is that structural failure of airplanes is now relatively rare. When it occurs it is generally the result of the airplane being subjected to conditions for which it was not designed and for which it never should have been used.

Each part must be tested before it is used. Inspectors of the Civil Aeronautics Authority are assigned to all important airplane factories and visit regularly all others. They not only approve design but watch actual construction to see that design and specification are adhered to. Tests must be carried out in their presence. These tests range all the way from the loading of a structural part with sandbags, to determine its breaking point or its yield to stress or pressure, to the actual flying of the finished plane. The inspectors themselves must participate in these test flights, for they are not only skilled engineers but highly skilled pilots.

PRODUCTION AND TESTING OF PLANES

Once, then, an airplane has been produced and tested to meet these exacting requirements, it may be given an approved type certificate under which the manufacturer can turn out replicas. Each individual plane must be examined and tested, however, before the Civil Aeronautics Authority gives it a license certifying it as fit for the task to which, and to which only, it may be assigned.

Once performing that task all repairs and alterations must be approved by an inspector, and, at stated periods, it must be reinspected throughout to see that it has been properly maintained in an airworthy condition.

Presumably then, you have an airplane fit to fly. Next you must have a pilot fit to fly it. Before a student can begin instruction he must pass a stiff medical examination before a doctor designated by the Authority. He must have eight hours of dual instruction—with a qualified instructor in the plane with him—and he must have up to fifty hours total flying before he gets his first license to take passengers

in an airplane with him. This is the private pilot's certificate. To earn this he must pass both a written and a flight test with an inspector of the Authority in the plane.

PILOTS AND THE TRAINING OF PILOTS

If he wishes to carry passengers for hire, limited commercial, commercial and air-line pilot ratings are open to him after further hours in the air. A pilot must have had 1,200 hours of certified solo flying before he becomes eligible for air-line rating. To attain each upper grade further and increasingly extensive written and flight tests must be passed with an inspector of the Authority and in the upper grades each pilot certificate must be renewed each six months. Special ratings are provided for instructors and pilots capable of instrument flight, or flight by instrument alone through conditions in which the ground is invisible.

Certificates are likewise required for student, private and commercial glider pilots, upon examinations based upon knowledge of gliding and soaring flight.

Each pilot's certificate, based upon his training and experience, limits him to the type, power, and weight of plane he has proven himself capable of flying.

Of course no inspection service can cover all of the details involved in the certification of airplanes and pilots. So a further system of certification has been set up for those who must look into the details. Upon examination and test, the Authority certificates ground instructors, aircraft mechanics, aircraft engine mechanics, parachute riggers, airport control tower operators, and air-line dispatchers.

Violation of any of the Civil Air Regulations they have shown themselves to know and are supposed to carry out subjects any certificate holder to loss of his certificate and, in some cases, to heavy fines.

WE ADD ECONOMIC SAFETY TO TECHNICAL SAFETY

The economic regulation of air transportation provided for the first time in the statute creating the Civil Aeronautics Authority in 1938 is the mark of that industry's attainment of the status of a public utility, an industry used by and useful to the public as a whole. Having attained that status the public has a direct interest in its soundness and continued usefulness. This phase of the Authority's work naturally is concerned almost exclusively with the scheduled air lines of the United States, including their foreign extensions.

Having determined on the economic regulation of air transportation, Congress directed that no air line be established until its proponents had come before the Authority and proved that there was public business to be done in the territory proposed to be served, and that the proponents were fit, willing, and able to do such business. This is the familiar doctrine of public convenience and necessity applied to other such public utilities as railroads, communications, and power.

AIR RATES UNQUESTIONED

Lines having once been established, Congress instructed the Authority to see to it that rates for passengers and property were just, reasonable, and nondiscriminatory and that the sums the Government itself pays the air lines for the carriage of mail are fair to the Government, the carrier, and the public which both serve.

In applying the doctrine of convenience and necessity to the establishment of the air lines Congress assumed that those lines which had grown up previous to the enactment of this law, largely through the granting of contracts for the carriage of the mail, had proven themselves to be useful to the Government and to the public. Hence it provided that to those lines the Authority should issue certificates of convenience and necessity on the mere showing that they had been operating for a stated period before the effective date of the act and that during that period service had not been inadequate or inefficient. This the Authority has done and has now turned its attention to many applications for the extension of existing lines and for the establishment of new ones.

AMERICAN PLANES OVER ALL SEAS

It has already granted one certificate of convenience and necessity of historic importance. Upon such a certificate, regular mail, passenger, and express service under the American flag is now being carried on across the North Atlantic between the United States and Europe by one American company with another now engaging in survey flights for a second service.

TO EUROPE AND BACK IN 3 DAYS

I had the honor to make that first commercial and mail flight over the North Atlantic, and the flag of that flight is now deposited in Washington. It is the flag that floated in triumph over land and sea and followed the great circle route to Europe and back in 3 short days.

Within the United States some fifty applications are pending for certificates of convenience and necessity covering new routes. If all were granted it would increase the approximately 35,000 miles of scheduled air lines in the United States by about 15,000 miles. Hearings have already begun on these applications. To them come not only the companies seeking to establish the service, but representatives of the communities sought to be served, other communities seeking to be included and, in some instances, representatives of other carriers who believe that their established business would be injured by the authorization of new services or routes.

The certificates of convenience and necessity, however, cannot be construed as exclusive franchises. New services may be established upon proof that existing services do not meet existing or prospective public needs.

All of the carriers now rendering service have filed, as prescribed by law, schedules of all of their rates for the carriage of passengers and property. So far, no complaints have been made, either by the public or by rival companies, as to these rate schedules.

So far as rates are concerned, we know they are being steadily reduced from month to month and year to year, until they are now very reasonable, and, as I understand, no complaints are being made.

RATES FOR THE CARRIAGE OF MAIL

Practically all of the carriers, however, have pending before the Authority proceedings to adjust the rate the Government pays them for the carriage of mail. Two cases have already been decided which lay down the principles upon which the others will be determined. The act itself provides, according to the Authority's first opinion, that the rate must be fairly compensatory and assure the stable economic development of the carrier to meet the needs, not only of the foreign and domestic commerce and the Postal Service of the United States, but also the needs of the national defense. In this case the Authority set a rate which, it said, was such as "to recognize managerial efficiency and to permit benefit therefrom to redound to the carriers, thus providing an incentive to management for further development."

In a subsequent case, however, the Authority severely criticized the financial and fiscal policies of the management of the air line in question and refused to set a rate which, it said, would require the Government to make mail payments to cover the costs of inefficient management or unsound fiscal policy.

Under this application of the statute's formula for establishing mail payments, the Authority has thoroughly investigated the financing, the corporate relationships, the operations, and the management efficiency of all applicants—from their banking costs to their methods and costs of soliciting business. The act provides that the revenues from business other than mail must be taken into account in setting a mail rate that will enable a carrier to operate soundly and develop properly.

ECONOMIC SAFETY AND TECHNICAL SAFETY

Last year, through this measure, Congress very wisely decided to add economic safety to technical safety in its encouragement and development of civil aviation. No longer is it possible to start an air line on blue sky. No longer is it possible to go to the Post Office Department with the boasts of this or that chamber of commerce and the pressure of this or that Member of Congress and demand that an air line be established where there is little more for an air line to serve than the nebulous business of local pride. Now, beyond the

shadow of doubt, upon a record proof against review in the courts, the proponents of an air line must prove that business to be done is in existence or within reasonable hope of development and that the proponent is fit, willing, and able to perform the services needed.

Think what this provision in law might have saved us in the development of other utilities. Think of the railroad and other utility securities foisted upon a trusting public by the overhopeful or the underscrupulous in other days. Perhaps some of you gentlemen cherish, too, among your not too happy family inheritances the handsomely engraved securities of some such prospect as the Painted Post, Fancy Prairie, and Pacific Continental Railroad. By the wise action of the Congress in providing for this economic regulation of the growing air-transport industry it has at least been saved from that veritable old man of the sea, the accumulation of overindebtedness which the railroads have inherited from their overoptimistic or underscrupulous days, and which today imperils their usefulness as servants of our national economy.

THE AIR SAFETY BOARD

Though every possible aid to safe flying, technically and economically, be provided in the Federal airways and though every possible precaution be taken in the certification of the aircraft and the airmen permitted to use them, accidents still occur in flying as they do in most other human activities. Why? To answer that very proper question and to prevent, so far as possible, the recurrence of flying accidents, Congress, in the Civil Aeronautics Act of 1938, created the Air Safety Board, within the Civil Aeronautics Authority but in many ways independent of it.

This Board of three members has its own staff of experts. To it is reported every aircraft accident that occurs in the United States or on the lines of American companies operating into foreign territory. Each of those accidents is investigated. A finding on each is reported to the Authority. Wherever necessary, as the result of this investigation and report, recommendations are made to prevent the recurrence of a similar accident. In general, these recommendations call for changes in airplane construction or operation where such change is indicated by the facts of the accident, or for punishment of individuals who may have been responsible, either through suspension or revocation of certificates or through fines. In the first instance the recommendations are carried out by the Authority through changes in the pertinent civil air regulation; in the second instance, penalties are inflicted after notice and hearing before the Authority or its officers.

The Air Safety Board, as the body which investigates, determines causes, and makes recommendations to prevent the recurrence of accidents, is thus, independent of the Authority, the body which manages the safety facilities of the airways, makes the regulations, and is responsible for their enforcement. The Air Safety Board is likewise authorized to make public as it deems best any phase of its work.

PROCEDURE IN TIME OF ACCIDENT

Hence it is that on all accidents of importance, such as those involving airliners carrying passengers, one or more members of the Air Safety Board, with technical and legal experts, proceeds to the scene of the accident at the first possible moment. It is now possible for members of the Board to reach any part of the United States within a few hours. At the scene of the accident the investigation of causes is thus immediately in expert and responsible hands.

Full examination of all records and circumstances surrounding the flight is immediately begun. The airplane involved and the neighborhood of the accident are minutely searched for evidence as to causes. Survivors, if any, and witnesses to the accident are interviewed, and the results of all of these preliminary investigations are promptly recorded in a public hearing. Thus, to a remarkable degree, it has been possible to strip airplane accidents of the mystery that has hitherto surrounded them, no matter how expertly they were investigated, for subsequent study and report.

Full study is nevertheless provided for in the work of the Air Safety Board. All evidence at the public hearings is carefully analyzed; all material which might indicate the failure of any part of the airplane, its power plant, or its controls is submitted to engineering and laboratory examination and the report of the Air Safety Board is subjected to the further scrutiny, and to public hearings if necessary, by the Civil Aeronautics Authority itself before action may be taken. At all times, however, these proceedings are open to all interested parties and to the public, lest the wrong element or the wrong individual be blamed for an accident and lest an unwise change in the regulations be adopted.

The same principles are adhered to in the Air Safety Board's handling of less spectacular accidents. Full examination of all available material is made both by the Air Safety Board's staff and the staff of the Authority. Where private planes only are involved the public interest is obviously less than in the case of accidents to common carriers licensed to serve the public generally. But private accidents are nevertheless carefully studied, both individually to determine blame if any, and statistically to determine dangerous trends of practice that may be altered by amendments to the regulations or otherwise.

Disciplinary measures against pilots, from air-line pilots to students, have already been carried out as a result of investigations by the Air Safety Board. Changes in construction details of several widely used types of airplanes have been brought about. But the members of the Air Safety Board and of the Authority have expressed the belief that, more important than all of this detailed work in the already observable improvement of civil aviation's safety record has been the knowledge of all connected with civil flying that a constant, skillful pressure is being exerted by experts to show beyond doubt that the only way to fly is to know how to fly safely, and to fly no other way.

This steady, intelligent pressure for safety has already borne results. I have cited the magnificent record of the air lines, already so fruitful in the production of new business. I am happy to be able to tell you that already in private flying during these first months of summer, through the first holidays hitherto productive of increased air fatalities, the records show that those fatalities are steadily decreasing, despite the fact that there has been a steady and large increase of flying both on the scheduled air lines and among the private flyers.

And all of this we can credit to moral effect. The real measures taken to increase safety in private flying have not yet even begun to be felt.

PILOT TRAINING AND WHY

The Civil Aeronautics Authority will train 15,000 private pilots between the ages of 18 and 25 in the colleges and universities of the United States during the 1939–40 school year if the Congress makes the appropriation for this purpose it has already authorized.

This flight-training program extends vocational training through Federal aid in the colleges to aviation, just as such aid has long been extended to other practical pursuits. This training will, of course, provide a reservoir of pilots who could be called upon in time of emergency to supplement the trained flying personnel of the Army and Navy. But the primary purpose of the program is its effect on civil aeronautics itself. The first and most important effect will be, it is believed, a very large increase in the safety of flying.

The Authority's method of controlled flight training was given a practical Nation-wide test during the second semester of the 1938–39 school year in 13 colleges. In those colleges 95 percent of the 330 boys qualified for their private pilots' licenses after an average of a little over 35 hours each of flight instruction. There was but a single casualty among the 330 who flew in all 1,300 hours.

This remarkable record of safety is attributed to two requirements in the course: The first is the ground-school course which assures that every student knows what makes an airplane fly before he is ever allowed to touch an airplane. The other is that after a student learns enough to fly a plane unaided to solo, the instructor must be in the plane with the student during one-half of the remaining instruction

flights to call his attention to mistakes when they occur and not later on the ground, where the student is with the best intention in the world unable to remember what he did wrong. Thus are prevented those bad flying habits which, all too often, lead to accidents.

The flight training is to be given by established, qualified operators, with the Authority's instructors' rating, on airports adjacent to the college communities. Ground-school training is to be given by members of the college faculty.

TRAINING 15,000 PILOTS

It was considered desirable to select students between the ages of 18 and 25, as the Authority has raised from 16 to 18 the youngest age at which a private pilot's certificate may be granted. While this throws the instruction into the college age group, at least 5 percent of the 15,000 students to be trained under this program will, under the law, not be enrolled in college but must come from outside, as other students come to take other vocational extension courses. It is considered, however, that a high-school education, or its equivalent, will be necessary for any candidate successfully to meet modern flying requirements.

The Authority's plan includes provision for continued training along advanced lines of the best qualified student pilots throughout their college careers, and on an alumni refresher-training basis thereafter, in order that they may be assured of a means to keep up their flying and maintain their value.

Heretofore private flying, in contrast with the safety record of the scheduled air lines, has been marred by a high percentage of accidents, fatal and otherwise. Analysis of that accident record revealed that one particular class of private flyers—those trained in the schools certificated by the Civil Aeronautics Authority and its predecessor, the Bureau of Air Commerce—were not responsible for the high accident rate. They were flying safely. Hence the curricula of those certificated schools, the requirements as to their instructors and equipment, and, above all, the requirement for adequate ground-school instruction and adequate check flying after the student attained the solo stage, were imposed upon the colleges which so successfully went through with the experimental courses this spring. They will be a necessary part of all instruction given in the larger program next year.

From the increase in the general level of safety in private flying consequent on the production of 15,000 pilots, thus safely trained every year, will come a very large increase in the use of private flying. That increased use of private flying will, in turn, result in a very large increase in the productive capacity of airplane and engine plants, in employment, direct and indirect, in a reduction of the costs of airplanes, and in improvement in their performance and safety characteristics. This, in turn, should lead to still wider use of such safer, cheaper planes thus safely flown leading to a development of the entire civil-aviation establishment in the United States to the point where it may well become a vital factor as an important new industry in the reviving economic structure of the country as a whole.

WORLD WAR EXPERIENCE

As such, and only as such, can it serve adequately in the national defense. World War experience showed the perils of an improvised aviation in the high death rate among student pilots who were rushed through their training, in the difficulty of converting other industries to aviation production, and in the delay in bringing our forces to bear. With a civil-aviation industry sufficiently large to meet the peacetime demands indicated by the hundreds of youths who have applied for every available place in the pilot-training program, on the other hand, the United States would have in existence a potential weapon of such importance and of such immediate usability as to be unchallengeable. No other nation or combination of nations can support such a civil-aviation establishment and no standing army of the air or aviation forced into high production for military uses could continue to meet in the air such resources as those of the United States.

But again and again, let me point out, the American people will only become the customers of aviation on the scheduled air lines or elsewhere, thus permitting it to grow to its true economic stature, if it is a sound product. Hence, again and again, in our student-pilot courses and elsewhere, we must continue to insist that the only way to fly is to know how to fly safely and to fly no other way.

It was with this purpose in view that the Authority chose the colleges which had given some kind of aeronautic instruction and were close to adequate flying facilities as the best places in which this kind of instruction could be given. It was hoped to find boys seriously interested in participating in such a national program rather than merely seeking the thrill of flight. It was hoped that in the colleges these boys would be found habituated to the idea of instruction. And, of course, it was only in the colleges that a group of 15,000 between the ages of 18 and 25 could be found with the time and opportunity to take such instruction.

There has been, however, at no time a disposition to debar from flying or from these courses those whose economic position deprived them of college attendance. Under the law, at least 5 percent of those chosen for the college courses must come from outside the regular enrollment of the colleges. And, of course, all the other ways of learning to fly are open to other than college students. And there can be no discrimination against the noncollege student in the tests which the Authority gives for certification as a private pilot or for certification for any other pilot rating. With the increasing necessity for the use of instruments rather than instinct for successful and safe flying, however, the Authority's examinations for all grades of pilots' certificates have necessarily been increased in scope to include qualifications which very largely depend upon a sound mathematical and general education.

The only cost to a student taking any of these courses provided through the Authority is a fee of not to exceed $40. The first purpose of this is to assure the serious intent of the student. The money is used to defray laboratory and insurance costs.

THE DEMOCRATIC WAY, THE AMERICAN WAY

This, too, I like to think is approaching this problem in the sound, American way. Other countries are creating air power after their own fashion. It but illuminates their fashion to say that it is well-nigh impossible to make any distinction in other countries between civil and military aviation. In many foreign countries manufacturers are ordered to build airplanes, and they are sometimes paid in paper ranging all the way in value from the pure product of the printing press up to promises to pay, for what they are worth, out of future tax receipts. That is nothing but the simple confiscation of capital. Men are assigned under military rules and discipline to work in the airplane factories. That may not be our way but it probably will be our way in time of another world war.

Other nations are devoting to air armament and its supply so large a proportion of fiscal resources as to constitute a heavy tax burden by American standards. Indeed, the development of military aviation abroad has been accomplished largely by sacrificing the crying needs of civil aviation in those countries. England, for instance, has deliberately permitted the lion's share of air transportation between London and the continent to go to non-English lines rather than divert her military productive capacity to the building of modern civilian transports, except those needed for connection with her far-flung colonies and dominions. Even there, England, in the stress of the emergency at home, has been

forced to yield the blue ribbon of all international air transportation, the North Atlantic, to the United States. Because she could not divert military production for the perfection this year of her own flying boats, our Boeings are today alone making the transit between Canada and the mother country, carrying regular loads of passengers, mail, and goods.

The United States, thank God, faces no such dilemma. Its procedure in the development of air power, both civil and military, can be justified by experience dating from our earliest days down to our last unhappy involvement in combat.

A STANDING ARMY OF THE AIR

The development of aviation in every other country in the world can be characterized only as the creation and maintenance of a standing army of the air. Standing armies, in the air or on the ground, are not in the American tradition. From the days of the minutemen at Lexington we have counted upon a citizenry ready to spring to arms rather than upon standing armies. And our citizenry has never failed us.

But it never failed us because it had the arms to spring to. Go back to those men at Lexington. The flintlock was as much a part of their household equipment as the skillet or the plow. They used it to supplement their meager diet by game shot in the woods. Firearms were as familiar to their hands as was the ax. Small wonder then that they were able to turn the flintlock's aim from the wild turkey in the tree to the breasts of the marching Red Coats. That was true as our civilization spread west. The buffalo gun and the Winchester helped feed our fathers on the plains. In hands thus skilled it defended them from hostile Indians and spread our empire to the Pacific. It enabled both sides gallantly and skillfully to fight the war that, for all its fratricide, settled the fate of the Union as one and indivisible.

But the firearm is no longer familiar to our hands. The firearm in hand, in fact, has lost all but its final importance in warfare. The enemy is no longer, in the first place, a foot soldier. The weapons we must have are, in the first place, airplanes. And today less than one-half of 1 percent of our population know how to use them. Had only one-half of 1 percent of the population of the Thirteen Colonies known how to use the flintlock, our Continental Army would have consisted of just 20 men and perhaps a half-dozen women. That is the proportion of men and women in our population today familiar with the handling of this modern weapon, the airplane.

I firmly believe that in the heart of every true American burns faith in the democratic way in which we are approaching this problem. There still burns bright the belief that freemen are their own best masters, that the accumulation of well-being by free choice within the law is more conducive to national welfare than tasks done under the whip of even the most benevolent despotism.

MASS PRODUCTION—FOR PEACE OR WAR

The current growth of civil aviation emboldens me to say that this new weapon, if weapon one day it must be, is now taking a place in our economic life as important as the flintlock and the buffalo gun ever held. These scores of thousands of young men and women who are trained to be pilots in the new way, the safe way, the useful way, are not potential targets for enemy planes and antiaircraft cannon. They will be useful, integrated, profitable units in the everyday business of getting rapidly about from place to place in this vast united country which God gave us and our forefathers developed and defended, a country thus so plainly needing this means of rapid transportation through the air for purposes of its own economic, spiritual, and national existence as a unified nation.

We foresee no flow of airplanes from a production line by millions like Fords or Chevrolets or Plymouths. But we can, under these programs for development, definitely foresee the day—it is already upon us—when airplanes will roll from production lines by thousands. When automobiles roll from production lines by thousands, say, like the Packard, the Buick, or the Hudson, even then they come to benefit by all of the economies of mass production.

AVIATION AND NATIONAL DEFENSE

That brings me to this problem's relationship to national defense in the more modern way of which I spoke. Look back for a moment to 1914, 1915, and 1916. The United States then had upon its roads more automobiles than all the rest of the world combined. It had a productive capacity in automobiles that all of the world combined could not match. Now, suppose that the automobile of those days had wings; suppose those automobiles and the capacity to reproduce them had been recognized for weapons capable of spreading destruction far behind the enemy's lines as the airplane is recognized today, would any power, however desperate, have risked our entry into hostilities thus potentially armed, thus actually munitioned?

So I believe we can attain that same impregnability today by the rational development of civil aeronautics in accord with our demonstrated economic needs. Yes; we have imposed Government regulation along with Government encouragement upon that development. But that is nothing new. Economic regulation of industry goes back to the grazing rules for cows upon a New England common, to the sealing of weights and measures in the village store, to the adjudication of business disputes between neighbors by a justice of the peace who knew not only the neighbors but all of the business of each.

Economically we grew so fast that business merely outgrew that homely and effective touch of the law. The cattle on the common became the world-wide packing industry. The village blacksmith became United States Steel. The general store become General Foods. I might even add that the town dramshop became National Distillers. By their very names they boast of the national rather than the village scope of their affairs. Why, then, should they complain today when the place of the village constable and the justice of the peace must be assumed by the Federal inspector and the national tribunals, familiar with their affairs and with their business, which the Federal Government has set up to succeed in this regard the old-time justice of the peace.

AN EXAMPLE TO ALL INDUSTRY

Civil aviation reached that national stage after we had had long and sometimes bitter experience with its elder brothers in industry. But by the wisdom of the legislation Congress has enacted in this field and by the fashion in which this new industry has accepted such legislation and developed under it, it may well set an example for its elder brothers in industry to emulate.

The aviation industry regards the Civil Aeronautics Authority as no Government scold. It regards its actions and decisions as no hamstringing restriction. On the contrary, this industry recognizes the civil-air regulations as sign posts, as traffic guides, as credible signals to keep them from the mistakes others have made. The industry recognizes the economic decisions of the Authority as the friendly but well-informed and disinterested settlement of disputes among themselves which, left unsettled, would lead to all the waste of trade wars, which, in other industries, have cost so high. They have recognized this kind of regulation as the focusing upon their problems of all the information that can be anywhere gathered, its focusing through the only lens free of the distortion of self-interest, the lens of our common Government.

Hence the men in the aviation industry have set another fine example for their elder brothers in trade. They are not the kind of businessmen who sit down and wail that they cannot do business. Their industry has grown continuously these last 10 years when other industries have trembled,

weakened, and died, with all the human misery consequent upon a lack of economic intelligence and courage.

Under the wise encouragement and guidance of the Federal Government the aviation industry has manufactured an ever more useful commodity, the great commodity of safe flight. Under the same wise encouragement and guidance it is now going out to sell that commodity to the great American people, and the American people are buying it. Here indeed is an inspiring example for those pale and selfish souls who still say that the only way for American business to progress is along those lines of reckless disregard for the future and for all but their own selfish interests, a policy which helped to bring us to the brink of ruin in 1929.

A STRONG MAN ARMED

And here is more. Here is this new industry, under these conditions of today, growing so fast that it well may one day soon lead even these doubting and trembling citizens out of the depression of their own minds as other new industries, the railroads after the Civil War, the automobile in the first decades of this century, led us out of other depressions.

And more still. Here stands already a civil aviation industry so firmly fixed in the very bone and sinew and veins and communicating nerves of our economic life that it may well make of these United States "a strong man armed who keepeth the peace."

Well may this Senate, well may this Congress, well may this Government, in service to the Nation as a whole through the encouragement and development of civil aviation, guard and guide us to that happy state.

Alfred Lord Tennyson once wrote:

For I dipped into the future, far as human eye could see,
Saw the vision of the world, and all the wonders that would be,
Saw the heavens fill with commerce, argosies of magic sails,
Pilots of the purple twilight, dropping down with costly bales,
Heard the heavens fill with shouting, and there rained a ghastly dew,
From the nations' airy navies grappling in the central blue.

Mr. President, at this point in my remarks, I wish to insert in the RECORD statistics showing the progress of civil aviation, from the information and statistical division of the Civil Aeronautics Authority concerning passenger-miles flown, passenger fatalities, the pilots and the personnel, and so forth, the figures as to exports and the total value of the exports, very interesting information, I may say, very up-to-date information, because these statistics were furnished just last Saturday and I have endeavored to secure information as up-to-date as possible so that we might have full and complete information.

There being no objection, the matters were ordered to be printed in the RECORD, as follows:

The progress of civil aviation

[Information and statistical division, Civil Aeronautics Authority]

	1929	1930	1931	1932	1933	1934	1935	1936	1937	1938
SCHEDULED AIR-LINE OPERATIONS										
Airplanes:										
In service and reserve:										
Domestic	442	497	490	456	408	417	356	272	282	253
Foreign	83	103	100	108	96	101	103	108	104	92
Airways:										
Total mileage:										
Domestic	24,874	29,887	30,451	28,550	27,812	28,084	28,267	28,874	31,084	35,492
Foreign extensions	11,456	19,662	19,949	19,980	19,875	22,717	32,184	32,658	32,572	35,707
Total	36,330	49,549	50,400	48,530	47,687	50,801	60,451	61,532	63,656	71,199
Total miles flown	25,141,499	36,945,203	47,646,407	51,171,887	54,878,014	49,064,773	63,867,698	73,611,770	77,403,365	81,058,127
Passenger-miles flown:										
Domestic		84,014,572	106,442,375	127,038,798	173,492,119	187,858,629	313,005,508	435,740,253	476,603,165	557,719,268
Foreign		19,732,677	14,680,402	21,147,539	26,283,915	38,792,228	48,465,412	58,453,618	76,045,424	77,836,816
Total		103,747,249	121,122,777	148,186,337	199,776,034	226,650,857	362,370,920	494,283,871	552,648,589	635,556,184
Passengers carried:										
Domestic	159,751	374,935	469,981	474,279	493,141	461,743	746,946	1,020,931	1,102,707	1,343,427
Foreign	13,654	42,570	61,681	73,281	83,471	110,522	127,170	145,112	187,028	192,684
Total	173,405	417,505	531,662	547,560	576,612	572,265	874,116	1,166,043	1,289,735	1,536,111
Express ton-miles (domestic)							1,089,802	1,860,809	2,156,070	2,173,706
Ton-miles of mail (domestic)						2,461,411	4,132,708	5,741,436	6,698,230	7,422,860
Total income to contractors (domestic and foreign)	$17,042,521	$20,015,969	$26,884,043	$26,234,321	$23,413,691	$15,722,229	$17,265,894	$19,724,489	$21,294,215	$23,641,967
Number of passenger fatalities (domestic)	4	0	1	6	0	4	0	2	11	0
Passenger-miles flown per passenger fatality (domestic)			14,680,402	3,524,590		9,698,057		29,271,809	6,913,220	11,119,559
Miles flown per fatal accident (domestic and foreign)	1,047,562	4,105,022	3,403,315	3,010,111	6,097,557	4,906,477	7,983,462	7,361,177	12,900,561	10,132,266
Passenger-miles flown per passenger fatality (domestic and foreign)		4,322,802	4,658,568	5,927,453	24,972,004	10,792,898	24,158,061	10,745,302	10,836,246	19,861,131
Personnel employed (domestic and foreign):										
Mechanics and ground crew	1,182	1,800	2,061	2,076	2,327	2,208	2,618	2,874	3,280	3,415
Pilots	562	675	694	570	547	507	656	694	755	820
Copilots				147	210	252	339	547	602	605
Hostesses and stewards							212	390	420	451
Other hangar and field personnel	601	1,000	1,555	1,512	1,839	1,851	1,518	1,767	2,356	2,635
Operation and office personnel			1,357	1,305	1,372	1,659	3,008	3,723	4,179	5,383
Total	2,345	3,475	5,667	5,610	6,295	6,477	8,351	9,995	11,519	13,309
MISCELLANEOUS FLYING OPERATIONS (ALL DOMESTIC)										
Airplanes in operation (certificated and uncertificated)	9,315	9,218	10,090	9,760	8,780	7,752	8,613	8,849	10,446	10,718
Miles flown	110,000,000	108,269,760	94,343,115	78,178,700	71,222,845	75,602,152	84,755,630	93,320,375	102,996,355	129,359,095
Total passengers carried for hire and pleasure	2,189,431	2,298,341	1,867,517	1,255,809	1,246,134	1,397,288	1,287,375	1,466,058	1,580,412	1,575,151
Miles flown per fatal accident	383,275	359,700	372,898	375,859	391,334	406,463	516,803	586,921	556,737	752,088
Total airports in operation	1,550	1,782	2,093	2,117	2,188	2,297	2,368	2,342	2,299	2,374

The progress of civil aviation—Continued

	1929	1930	1931	1932	1933	1934	1935	1936	1937	1938
FEDERAL AIRWAYS SYSTEM AND AIDS TO AIR NAVIGATION										
Communication:										
Radio broadcast stations	34	45	56	61	68	71	74	80	83	91
Radio range beacon stations	9	33	47	68	94	112	137	146	167	225
Radio marker beacons	----------	6	46	74	77	84	57	57	55	48
Weather reporting airway and airport stations—Weather Bureau and Civil Aeronautics Authority operated, long-line teletypewriter equipped	58	143	234	234	205	206	203	213	271	346
Miles of teletypewriter service	2,415	8,400	13,186	13,500	12,064	11,631	13,260	13,120	20,588	23,771
Weather Bureau—first-order stations (does not include airport stations)	207	209	218	216	194	185	191	182	198	182
Airway lighting:										
Total beacons	1,425	1,792	2,024	2,216	2,065	1,830	2,198	2,328	2,435	2,497
Intermediate landing fields lighted by Civil Aeronautics Authority	285	347	385	337	246	250	282	284	278	271
Mileage lighted by Civil Aeronautics Authority	12,448	15,258	17,512	19,500	18,655	19,081	22,012	22,245	22,319	23,723
Miles under construction by Civil Aeronautics Authority	1,352	3,221	1,988	0	2,638	3,048	338	0	945	1,849
PRODUCTION AND EXPORTS OF AIRCRAFT										
Exports:										
Airplanes	348	321	140	280	406	490	334	515	621	875
Value	$5,484,600	$4,819,669	$1,812,827	$4,358,967	$5,391,493	$8,258,484	$6,638,515	$11,386,896	$21,027,361	$37,977,324
Engines	321	377	318	2,356	2,901	1,007	568	945	1,047	1,307
Value	$1,375,697	$1,635,076	$1,474,785	$1,517,682	$1,430,787	$4,383,101	$2,459,317	$5,397,469	$5,944,004	$7,899,144
Parts and accessories, aircraft, value	$2,252,203	$2,351,651	$1,521,828	$1,756,421	$2,247,834	$4,808,130	$5,069,810	$6,060,483	$12,157,337	$21,930,343
Parachutes and parts, value	----------	----------	----------	$313,463	$87,522	$98,466	$163,201	$298,358	$267,771	$400,939
Total value exports	$9,112,500	$8,806,396	$4,809,440	$7,946,533	$9,156,636	$17,548,181	$14,330,843	$23,143,206	$39,396,473	$68,307,750
Production: Total value (all aircraft engines, parts and equipment)	$91,051,044	$60,846,177	$48,539,715	$34,861,185	$33,357,122	$43,891,925	$42,506,204	$78,148,891	$104,094,621	----------

Mr. LUNDEEN. Page 369, CONGRESSIONAL RECORD, of April 5, 1917, volume 55, part 1, begins at "Aircraft in the World War," and ending with the words "previous to the World War" contains my statement on aviation in the World War debate, the statistics of that day do not make much of a showing compared to our armadas of today.

AIRCRAFT IN THE WORLD WAR

Heard the heavens fill with shouting, and there rained ghastly dew,
From the nations' airy navies grappling in the central blue.
—Tennyson: Locksley Hall.

Country	August 1914		April 1913 [1]	
	Military dirigibles [2]	Military airplanes [3]	Military dirigibles	Military airplanes
France	31	1,400	13	450
Germany	35	1,000	17	152
Russia	16	800	9	250
Great Britain	15	400	3	141
Austria-Hungary	10	[2] 350	5	46
United States	----------	23	(4)	25

[1] U. S. Navy Department, October 1915.
[2] Estimate of Henry Woodhouse, editor, Flying.
[3] From U. S. Advisory Board for Aeronautics, Feb. 2, 1915.
[4] 1 dirigible, practically useless, on hand.

Statistics as to the present size of the belligerents' aerial fleets are not available, having been suppressed by official censors.

Waldemar Kaempffert, in the Review of Reviews, March 1916, states that "there are certainly no fewer than 5,000 airplanes in actual use, and such is the wastage of battle that their flying life is not longer than a fortnight." He estimates that it is necessary to build 50,000 machines a year to repair the ravages of war.

The United States had 125 airplanes and 3 war balloons on hand January 1, 1917, according to the World Almanac. One dirigible was under construction.

That was 1917. In 1915 at San Francisco, Calif., I had my first flight over that great bay and the Golden Gate, nearly 25 years ago. That was in the very infancy of aviation. In 1919 I introduced a draft of the air service bill, which measure gained the early support of that eminent air authority, Brig. Gen. William Mitchell. I hope to continue my interest as long as I live.

I thank the Senate for its attention. I would not have imposed upon the patience of Senators for such a length of time if I did not believe that there is no subject more vital to American defense, American safety, and American commerce, and to the welfare and happiness of the American people, than the subject and science of aviation, which I have endeavored to discuss today.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Calloway, one of its reading clerks, announced that the House had agreed to the amendments of the Senate to the bill (H. R. 3409) to amend the act of June 15, 1936 (49 Stat. 1516), authorizing the extension of the boundaries of the Hot Springs National Park, in the State of Arkansas, and for other purposes.

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

H. R. 4938. An act to amend the act approved June 26, 1935, entitled "An act to create a national memorial military park at and in the vicinity of Kennesaw Mountain in the State of Georgia, and for other purposes"; and

H. R. 6479. An act amending section 2857 of the Distilled Spirits Act.

TOLL BRIDGE ACROSS ST. LOUIS RIVER, DULUTH, MINN.

Mr. BAILEY. Mr. President, from the Committee on Commerce I report back favorably House bill 6475, to authorize the city of Duluth, in the State of Minnesota, to construct a toll bridge across the St. Louis River between the States of Minnesota and Wisconsin, and for other purposes, and I submit a report (No. 1054) thereon. There was some controversy over the bill, but certain amendments to it were finally proposed by the committee.

Mr. LA FOLLETTE. Mr. President, I ask unanimous consent for the immediate consideration of the bill.

The PRESIDING OFFICER. Is there objection?

There being no objection, the Senate proceeded to consider the bill (H. R. 6475) to authorize the city of Duluth, in the State of Minnesota, to construct a toll bridge across

the St. Louis River, between the States of Minnesota and Wisconsin, and for other purposes, which was reported from the Committee on Commerce with amendments in section 1, on page 2, line 13, after the name "Minnesota" to strike out "a point in"; in section 1, line 14, after the name "Wisconsin" to strike out "as approved, within a reasonable time, by the City Council of the City of Superior, Wis., and"; in section 4, page 5, line 11, after the word "owned", to insert "by the city of Duluth, and shall be"; on page 5, line 12, after "Duluth", to insert "and the city of Superior"; and on page 5, line 20, to insert a new section 5, as follows:

SEC. 5. The city of Superior, Douglas County, State of Wisconsin, shall share equally with said city of Duluth in the consideration and determination of questions with respect to the exercise by the city of Duluth of all the rights, powers, and privileges conferred upon the city of Duluth by the provisions of this act, and none of the rights, powers, and privileges herein conferred shall be exercised by said city of Duluth without the consent and approval of the city of Superior as expressed by resolution of the City Council of the City of Superior.

So as to make the bill read:

Be it enacted, etc., That the consent of Congress is hereby granted to the city of Duluth, in the State of Minnesota, to acquire and thereafter operate and maintain either or both of the existing vehicular-toll bridges across the St. Louis River, between St. Louis County in the State of Minnesota and Douglas County in the State of Wisconsin, and should said city be unable, after negotiation, to agree with the owners of the respective bridges upon a mutually satisfactory purchase price, then said city is hereby authorized to require the transfer of such bridge or bridges to said city upon payment of the price or prices computed according to the provisions for public acquisition of the bridges by the respective acts of Congress which authorized the original construction of such bridges.

SEC. 2. In order to facilitate interstate commerce, improve the postal service, and provide for military and other purposes, said city of Duluth is authorized to construct, maintain, and operate an additional vehicular-toll bridge and approaches across the St. Louis River, at a point suitable to the interests of navigation from St. Louis County in the State of Minnesota to Douglas County in the State of Wisconsin, in accordance with the provisions of an 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. There is hereby conferred upon said city all rights and powers to enter upon lands and to acquire, condemn, occupy, possess, and use such real estate and other property as may be needed for the location, construction, operation, and maintenance of such bridge or bridges and approaches thereto 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 the State in which such property may be located, and the proceedings therefor shall be the same as in condemnation or expropriation of property for public purposes in such State.

SEC. 3. Said city of Duluth is hereby authorized to fix and charge tolls for transit over any bridge or bridges acquired or constructed under the provisions of this act, and the rates of toll so fixed shall be such as will pay costs of operation and maintenance and amortize the cost, within the period provided herein, of such bridge or bridges as evidenced by an issue or issues of bonds to pay the cost of such bridge or bridges, which bonds may be so issued subject to and in accordance with the pertinent laws of the State of Minnesota. All such bonds shall be in a form not inconsistent with this act, and shall mature at such time or times as the city may determine, not exceeding 20 years from the date of approval of this act. The city, when it deems it to be in the best interests of the city, may issue refunding bonds to repurchase and redeem any outstanding bonds before the maturity thereof: *Provided*, That the refunding bonds shall mature at such time or times not exceeding 30 years from the date of approval of this act, as the city may determine. An accurate record of the cost of any bridge or bridges and their approaches acquired or constucted, 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. 4. After payment of the bonds and interest, or after a sinking fund sufficient for such payment shall have been provided and shall be held for that purpose, the city shall deliver deeds or other suitable instruments of conveyance of the interest of the city in and to the bridge or bridges extending between the State of Minnesota and the State of Wisconsin, that part of said bridge or bridges within Minnesota to the State of Minnesota or any municipality or agency thereof as may be authorized by or pursuant to law to accept the same (hereinafter referred to as the "Minnesota interests"), and that part of said bridge or bridges within Wisconsin, to the State of Wisconsin, or any municipality or agency thereof as may be authorized by or pursuant to law to accept the same (hereafter referred to as the "Wisconsin interests"), under the condition that the bridge or bridges shall thereafter be free of tolls and be properly maintained, operated, and repaired by the Minnesota interests and the Wisconsin interests as may be agreed upon; but if the Minnesota interests and the Wisconsin interests fail to accept or are not authorized to accept, their respective portion of said bridge or bridges, then the city may deliver deeds, or other suitable instruments of conveyance of said portions, to any other interest which may accept and may be authorized to accept the same, under the condition that the bridge or bridges shall thereafter be free of toll and be properly maintained, operated and repaired by said interest to whom said conveyances are delivered; but if either the Minnesota interests, or the Wisconsin interests, or any other interest hereinabove mentioned shall not be authorized to accept or shall not accept the same under such conditions, then the bridge or bridges shall continue to be owned, maintained, operated, and repaired by the city of Duluth and the city of Superior as a free bridge. The rate or rates of toll for any bridge now or hereafter constructed across the St. Louis River, between St. Louis County in Minnesota and Douglas County in Wisconsin, shall not be reduced below the rate or rates now in effect so long as any bonds of said city of Duluth issued for account of any bridge or bridges acquired or constructed under the provisions of this act may be outstanding, subject, however, to the provisions regulating toll contained in the act of March 23, 1906.

SEC. 5. The city of Superior, Douglas County, State of Wisconsin, shall share equally with said city of Duluth in the consideration and determination of all questions with respect to the exercise by the city of Duluth of all the rights, powers, and privileges conferred upon the city of Duluth by the provisions of this act, and none of the rights, powers, and privileges herein conferred shall be exercised by said city of Duluth without the consent and approval of the city of Superior, as expressed by resolution of the city council of said city of Superior.

SEC. 6. The right to alter, amend, or repeal this act is hereby expressly reserved.

Mr. AUSTIN. Mr. President, does this bill carry any burden of costs to be borne by the Federal Government?

Mr. LA FOLLETTE. It does not.

Mr. BAILEY. I ask that the clerk be directed to renumber the sections.

The PRESIDENT pro tempore. Without objection, it is so ordered.

The question is on the engrossment of the amendments, and the third reading of the bill.

The amendments were ordered to be engrossed, and the bill to be read a third time.

The bill was read the third time, and passed.

Mr. LA FOLLETTE. Mr. President, I should like to make a brief statement. There has been some controversy between the citizens of Superior and Duluth over this bill, and certain citizens of Superior came to Washington to see if some compromise could not be worked out. I ask unanimous consent to incorporate in the RECORD a telegram which I received under date of July 21, 1939; also two telegrams from Mayor Bryn Ostby, of Superior, Wis.

There being no objection, the telegrams were ordered to be printed in the RECORD, as follows:

HARRISBURG, PA., *July 28, 1939.*

Senator ROBERT M. LA FOLLETTE,
Senate Office Building, Washington, D. C.:

As we were leaving Washington we were advised that Duluth agreed to amendment of bridge bill. The following is the proposed amendment: "Section 5 (new section). The city of Superior, Douglas County, State of Wisconsin, shall share equally with said city of Duluth in the consideration and determination of all questions with respect to the exercise by the city of Duluth of all the rights, powers, and privileges conferred upon said city of Duluth by the provisions of the act, and none of the rights, powers, and privileges herein conferred shall be exercised by said city of Duluth without the consent and approval of the city of Superior, as expressed by resolution of the city council of said city of Superior."

Also to strike in section 2 amendment providing for designation of location to be approved by Superior, since above amendment gives Superior that power.

Also after Duluth, line 11, page 5, insert "and city of Superior." H. R. 6475, providing for operation and maintenance of bridge.

We agree to above amendments and consent to passage of bill as so amended.

A. WALTER DAHL.
JOHN G. GREEN.
CARL H. DALEY.
STANLEY NADOLSKI.
JAMES D. LAVELLE.

SUPERIOR, WIS., *July 31, 1939.*

Senator ROBERT M. LA FOLLETTE, JR.:

Please do not construe any message from me to infer that I oppose constructions of a Superior-Duluth bridge. My only concern is that Superior rights be protected.

BRYN OSTBY, *Mayor.*

SUPERIOR, WIS., *August 1, 1939.*

Senator ROBERT M. LA FOLLETTE, Jr.:

I believe Superior's rights are amply protected in the Superior-Duluth bridge bill. No objections to its passage.

BRYN OSTBY, *Mayor.*

Mr. LA FOLLETTE. Mr. President, it seems to me a very workable compromise has been suggested. As I view it, the rights of the city of Superior are completely protected under the bill; and if there are any controversies existing in the city of Superior over this matter I cannot believe that any better organization could have been chosen to iron out those controversies than the duly constituted city council of that city.

MAJOR GENERAL WILLIAM JENKINS WORTH MEMORIAL COMMISSION

Mr. BARKLEY. Mr. President, from the Committee on the Library, I report back favorably three measures and ask for their present consideration. The first is House Joint Resolution 283.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Kentucky?

There being no objection the joint resolution (H. J. Res. 283) to establish the Major General William Jenkins Worth Memorial Commission to formulate plans for the construction of a permanent memorial to the memory of Maj. Gen. William Jenkins Worth, was considered, ordered to a third reading, read the third time, and passed.

PRESENTATION OF MEDAL TO HOWARD HUGHES

Mr. BARKLEY. Mr. President, I ask unanimous consent for the immediate consideration of House bill 7089 which I also report favorably from the Committee on the Library.

There being no objection, the bill (H. R. 7089) to provide for the presentation of a medal to Howard Hughes in recognition of his achievements in advancing the science of aviation, was considered, ordered to a third reading, read the third time, and passed.

VIRGINIA (MERRIMAC)-MONITOR COMMISSION

Mr. BARKLEY. Mr. President, I also report favorably from the Committee on the Library House Concurrent Resolution 32, establishing a commission to be known as the Virginia (Merrimac)-Monitor Commission, and I ask for the immediate consideration of the concurrent resolution.

The PRESIDING OFFICER. Is there objection?

There being no objection, the concurrent resolution was considered and agreed to.

PREVENTION OF TRANSPORTATION OF CONTRABAND

Mr. KING. Mr. President, I invite attention to House bill 6556, which passed the House and came to the Senate and was referred to the Committee on Finance. An amendment was tendered and reported back, and yesterday the bill was called up for action during the consideration of the calendar, and the Senator from Delaware [Mr. TOWNSEND] made objection, as there was some slight amendment he desired to offer. I have conferred with the committee and accept the amendment which the Senator has suggested. The Treasury Department is also in harmony with the amendment. I ask that the amendment be agreed to and the bill passed.

Mr. TOWNSEND. Mr. President, the amendment is perfectly satisfactory to me.

Mr. LA FOLLETTE. Mr. President, let the bill be reported by title.

The PRESIDING OFFICER. The bill will be reported by title.

The LEGISLATIVE CLERK. A bill (H. R. 6556) to provide for the seizure and forfeiture of vessels, vehicles, and aircraft used to transport narcotic drugs, firearms, and counterfeit coins, obligations, securities, and paraphernalia, and for other purposes.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

The PRESIDING OFFICER. The clerk will state the amendment offered by the Senator from Delaware [Mr. TOWNSEND].

The LEGISLATIVE CLERK. On page 3, line 2, after the word "that", to insert "(1) in the case of a railway car or engine, the owner, or (2) in the case of any other such vessel, vehicle, or aircraft," so as to make the bill read:

Be it enacted, etc., That (a) it shall be unlawful (1) to transport, carry, or convey any contraband article in, upon, or by means of any vessel, vehicle, or aircraft; (2) to conceal or possess any contraband article in or upon any vessel, vehicle, or aircraft, or upon the person of anyone in or upon any vessel, vehicle, or aircraft; or (3) to use any vessel, vehicle, or aircraft to facilitate the transportation, carriage, conveyance, concealment, receipt, possession, purchase, sale, barter, exchange, or giving away of any contraband article.

(b) As used in this section the term "contraband article" means—

(1) Any narcotic drug which has been or is possessed with intent to sell or offer for sale in violation of any laws or regulations of the United States dealing therewith, or which is sold or offered for sale in violation thereof, or which does not bear appropriate tax-paid internal-revenue stamps as required by law or regulations;

(2) Any firearm, with respect to which there has been committed any violation of any provision of the National Firearms Act, as now or hereafter amended, or any regulation issued pursuant thereto; or

(3) Any falsely made, forged, altered, or counterfeit coin or obligation or other security of the United States or of any foreign government; or any material or apparatus, or paraphernalia fitted or intended to be used, or which shall have been used, in the making of any such falsely made, forged, altered, or counterfeit coin or obligation or other security.

SEC. 2. Any vessel, vehicle, or aircraft which has been or is being used in violation of any provision of section 1, or in, upon, or by means of which any violation of section 1 has taken or is taking place, shall be seized and forfeited: *Provided,* That no vessel, vehicle, or aircraft used by any person as a common carrier in the transaction of business as such common carrier shall be forfeited under the provisions of this act unless (1) in the case of a railway car or engine, the owner, or (2) in the case of any other such vessel, vehicle, or aircraft, it shall appear that the owner or the master of such vessel or the owner or conductor, driver, pilot, or other person in charge of such vehicle or aircraft was at the time of the alleged illegal act a consenting party or privy thereto: *Provided further,* That no vessel, vehicle, or aircraft shall be forfeited under the provisions of this act by reason of any act or omission established by the owner thereof to have been committed or omitted by any person other than such owner while such vessel, vehicle, or aircraft was unlawfully in the possession of a person who acquired possession thereof in violation of the criminal laws of the United States, or of any State.

SEC. 3. The Secretary of the Treasury is empowered to authorize, or designate, officers, agents, or other persons to carry out the provisions of this act. It shall be the duty of any officer, agent, or other person so authorized or designated, or authorized by law, whenever he shall discover any vessel, vehicle, or aircraft which has been or is being used in violation of any of the provisions of this act, or in, upon, or by means of which any violation of this act has taken or is taking place, to seize such vessel, vehicle, or aircraft and to place it in the custody of such person as may be authorized or designated for that purpose by the Secretary of the Treasury, to await disposition pursuant to the provisions of this act and any regulations issued hereunder.

SEC. 4. All provisions of law relating to the seizure, summary and judicial forfeiture, and condemnation of vessels and vehicles for violation of the customs laws; the disposition of such vessels and vehicles or the proceeds from the sale thereof; the remission or mitigation of such forfeitures; and the compromise of claims and the award of compensation to informers in respect of such forfeitures shall apply to seizures and forfeitures incurred, or alleged to have been incurred, under the provisions of this act, insofar as applicable and not inconsistent with the provisions hereof: *Provided,* That such duties as are imposed upon the collector of customs or any other person with respect to the seizure and forfeiture of vessels and vehicles under the customs laws shall be performed with respect to seizures and forfeitures of vessels, vehicles, and aircraft under this act by such officers, agents, or other persons as may be authorized or designated for that purpose by the Secretary of the Treasury.

SEC. 5. Any appropriation which has been or shall hereafter be made for the enforcement of the customs, narcotics, counterfeiting, or internal-revenue laws, and the provisions of the National Firearms Act shall be available for the defraying of expenses of carrying out the provisions of this act.

SEC. 6. The provisions of this act shall be construed to be supplemental to, and not to impair in any way, existing provisions of law imposing fines, penalties, or forfeitures; or providing for the seizure, condemnation, or disposition of forfeited property or the proceeds thereof; or authorizing the remission or mitigation of fines, penalties, or forfeitures.

SEC. 7. When used in this act—

(a) The term "vessel" includes every description of watercraft or other contrivance used, or capable of being used, as means of transportation in water, but does not include aircraft;

(b) The term "vehicle" includes every description of carriage or other contrivance used, or capable of being used, as means of transportation on, below, or above the land, but does not include aircraft;

(c) The term "aircraft" includes every description of craft or carriage or other contrivance used, or capable of being used, as means of transportation through the air;

(d) The term "narcotic drug" means any narcotic drug, as now or hereafter defined by the Narcotic Drugs Import and Export Act, the internal-revenue laws or any amendments thereof, or the regulations issued thereunder; or marihuana as now or hereafter defined by the Marihuana Tax Act of 1937 or the regulations issued thereunder;

(e) The term "firearm" means any firearm, as now or hereafter defined by the National Firearms Act, or any amendments thereof, or the regulations issued thereunder; and

(f) The words "obligation or other security of the United States" are used as now or hereafter defined in section 147 of the Criminal Code, as amended (U. S. C., title 18, sec. 261).

SEC. 8. The Secretary of the Treasury shall prescribe such rules and regulations as may be necessary to carry out the provisions of this act.

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time, and passed.

SAFEGUARDS ON STEAMSHIPS

Mr. BAILEY. Mr. President, yesterday the Senate passed two bills to which I wish to call attention. The House has passed similar bills and they are now on the desk. I ask unanimous consent that the House bills be taken up and passed at this time. They are the same as the Senate bills which were passed yesterday, to which I have referred. I ask that the Committee on Commerce be discharged from the consideration of House bill 7090, and that the Senate proceed to consider it.

The PRESIDING OFFICER. The clerk will state the bill by title.

The LEGISLATIVE CLERK. The bill (H. R. 7090) to amend section 4488 of the Revised Statutes of the United States, as amended (U. S. C., 1934 ed., title 46, sec. 481).

The PRESIDING OFFICER. Without objection, the Committee on Commerce is discharged from the further consideration of House bill 7090.

Is there objection to the present consideration of the bill?

Mr. AUSTIN. Mr. President, I have examined the bill, and conferred with the Senator from North Carolina, and I am satisfied that I should not make objection.

There being no objection, the bill was considered, ordered to a third reading, read the third time, and passed.

Mr. BAILEY. I move that the vote by which Senate bill 2755 was passed be reconsidered and that the bill be indefinitely postponed.

The motion was agreed to.

SAFETY ON STEAMERS

Mr. BAILEY. Mr. President, I now ask that the Committee on Commerce be discharged from the further consideration of House bill 7091 and that the Senate proceed to its consideration. It provides for safety on steamers carrying as many as 50 passengers. It is merely a safety measure, amendatory of the statute, similar to a bill which passed the Senate yesterday. I ask for the present consideration of the bill.

The PRESIDING OFFICER. The clerk will state the bill by its title.

The LEGISLATIVE CLERK. The bill (H. R. 7091) to amend section 4471 of the Revised Statutes of the United States, as amended (U. S. C., 1934 ed., title 46, sec. 464).

The PRESIDING OFFICER. Without objection, the Committee on Commerce is discharged from the further consideration of House bill 7091.

Is there objection to the present consideration of the bill?

Mr. AUSTIN. Mr. President, I have examined the bill and conferred with the Senator from North Carolina and I have no objection.

There being no objection, the bill was considered, ordered to a third reading, read the third time, and passed.

Mr. BAILEY. I ask unanimous consent that the vote by which Senate bill 2754 was passed be reconsidered, and that the bill be indefinitely postponed.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

MUNICIPAL BANKRUPTCY

Mr. PEPPER. Mr. President, I ask unanimous consent for the present consideration of Calendar No. 928, House bill 6505, the bill contemplating municipal bankruptcy. I do not think there will be any objection.

The PRESIDING OFFICER. Is there objection?

Mr. BYRNES. Mr. President, I desire to have it understood that this will not displace the pending unfinished business.

Mr. PEPPER. Mr. President, I ask unanimous consent for the present consideration of the bill to which I have referred without the pending bill being displaced as the business before the Senate, except temporarily.

The PRESIDING OFFICER. Is there objection?

Mr. AUSTIN. Mr. President, I feel obliged to object to the consideration of the bill at this time. I think that if the Senator will bring it up in the morning, when there is a larger attendance of Senators, after a roll call, he may get his bill considered by unanimous consent.

The PRESIDING OFFICER. The Chair hears objection.

BARGES "PRARI" AND "PALPA"

Mr. ELLENDER. Mr. President, I ask unanimous consent for the immediate consideration of House bill 6664, which is now on the desk.

Mr. LA FOLLETTE. Let the bill be reported by title.

The PRESIDING OFFICER. The clerk will state the bill by title.

The LEGISLATIVE CLERK. The bill (H. R. 6664) to admit the American-owned barges *Prari* and *Palpa* to American registry and to permit their use in coastwise trade.

Mr. BYRNES. Mr. President, I do not desire to object, but I again state that I will have no objection to the request if the pending business is not to be displaced.

Mr. ELLENDER. Of course, Mr. President, I intended to couple such a condition with my original request.

The PRESIDING OFFICER. If the unanimous consent is granted it will not displace the bill in charge of the Senator from South Carolina.

The Chair lays before the Senate a bill coming over from the House of Representatives.

The bill (H. R. 6664) was read the first time by title and the second time at length, as follows:

Be it enacted, etc., That, notwithstanding the provisions of section 27 of the act of June 5, 1920, as amended (U. S. C., 1934 ed., Supp. IV, title 46, sec. 883), the barges *Prari* and *Palpa*, owned by the Southern Banana Corporation, a Delaware corporation, shall be admitted to American registry, and shall be entitled to engage in the coastwise trade and to transport merchandise between points in the United States, including districts, Territories, and possessions thereof embraced within the coastwise laws.

Mr. ELLENDER. Mr. President, I wish to say for the information of the Senate that a similar bill has just been reported by the Committee on Commerce of the Senate, and is at the desk.

The PRESIDING OFFICER. Is there objection to the consideration of House bill 6664?

There being no objection, the bill was considered, ordered to a third reading, read the third time, and passed.

Mr. ELLENDER. I ask that the Senate bill identical with the bill just passed be indefinitely postponed.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and the bill is indefinitely postponed.

FISHING COMPACTS

Mr. BAILEY. Mr. President, from the Committee on Commerce I report favorably Senate Joint Resolution 139, concerning fishing compacts between the States on the Atlantic coast, and I submit a report (No. 1074) thereon.

Mr. DANAHER. Mr. President, I ask that the joint resolution be considered, and I hope it will be agreed to.

Mr. BARKLEY. Mr. President, does the Senator from North Carolina want present consideration of the joint resolution which he has just reported?

Mr. BAILEY. Yes, Mr. President. The joint resolution has been acted on by the committee and is approved by the Department.

The PRESIDING OFFICER. The clerk will state the joint resolution by title.

The LEGISLATIVE CLERK. A joint resolution (S. J. Res. 139) to authorize compacts or agreements between or among the States bordering on the Atlantic Ocean with respect to fishing in the territorial waters and the bays and inlets of the Atlantic Ocean on which such States border, and for other purposes.

The PRESIDING OFFICER. Is there objection to the present consideration of the joint resolution?

Mr. BYRNES. Mr. President, I make the same request, that the Senator amend his request by the statement that he does not intend to displace the pending business.

Mr. BAILEY. Mr. President, I am happy to do so. It was my purpose to include that in my original request.

The PRESIDING OFFICER. Is there objection?

There being no objection, the joint resolution (S. J. Res. 139) to authorize compacts or agreements between or among the States bordering on the Atlantic Ocean with respect to fishing in the territorial waters and the bays and inlets of the Atlantic Ocean on which such States border, and for other purposes, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Resolved, etc., That the consent of Congress is hereby given to any two or more of the States of Maine, New Hampshire, Massachusetts, Rhode Island, Connecticut, New York, New Jersey, Delaware, Maryland, Virginia, North Carolina, South Carolina, Georgia, and Florida to enter into compacts or agreements not in conflict with any law of the United States, for cooperative effort and mutual assistance for the uniform, common, or mutual regulation of fishing or of any species of fish, mollusks, or crustacea in the territorial waters and bays and inlets of the Atlantic Ocean on which such States border or to which their jurisdiction otherwise extends and of anadromous fish spawning in the inland waters of those States.

SEC. 2. The consent of Congress is hereby granted to States other than those specified but which have jurisdiction over inland waters frequented by anadromous fish of the sea to enter into compacts or agreements authorized by this act.

SEC. 3. The consent of Congress is hereby given to any of the aforementioned States to establish such agencies or authorities, joint or otherwise, as they may deem desirable for making effective compacts or agreements herein authorized.

SEC. 4. Any compact or agreement herein authorized shall become binding or obligatory only upon those signatory States whose legislatures shall have approved such compact or agreement.

SEC. 5. The right to alter, amend, or repeal this joint resolution is hereby expressly reserved.

EXECUTIVE SESSION

Mr. BARKLEY. Mr. President, I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE MESSAGES REFERRED

The PRESIDING OFFICER (Mr. SMATHERS in the chair) 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.)

NOTIFICATION TO PRESIDENT—CONFIRMATION OF NOMINATION OF HAROLD MAURICE KENNEDY

Mr. WAGNER. Mr. President, yesterday in executive session the nomination of Harold Maurice Kennedy to be United States district attorney for the Eastern District of New York was confirmed. I ask unanimous consent that the President be notified at once of the confirmation.

The PRESIDING OFFICER. Without objection, the President will be notified.

EXECUTIVE REPORTS OF COMMITTEES

Mr. PITTMAN, from the Committee on Foreign Relations, reported favorably the following nominations:

Bert Fish, of Florida, now Envoy Extraordinary and Minister Plenipotentiary to Egypt, to be also Envoy Extraordinary and Minister Plenipotentiary to Saudi Arabia; and

James J. Murphy, Jr., of Pennsylvania, to be a Foreign Service officer of class 3, a consul, and a secretary in the Diplomatic Service.

Mr. HUGHES, from the Committee on the Judiciary, reported favorably the nomination of Edward Gearing Kemp, of Michigan, to be the Assistant to the Attorney General to fill an existing vacancy.

Mr. KING, from the Committee on the Judiciary, reported favorably the following nominations:

Ellen K. Raedy, of the District of Columbia, to be judge of the municipal court of the District of Columbia; and

Nathan Cayton, of the District of Columbia, to be judge of the municipal court of the District of Columbia.

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

The PRESIDING OFFICER. The reports will be placed on the Executive Calendar.

STATUS OF NOMINATIONS DURING ADJOURNMENT OF SENATE

Mr. BARKLEY. Mr. President, I send to the desk a resolution, which I ask to have stated and adopted.

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

The legislative clerk read as follows:

That paragraph 6 of the rule XXXVIII be suspended, and that all nominations now on the Executive Calendar of the Senate, or pending before any of the standing committees of the Senate, shall remain in statu quo until the convening of the next regular session of the Congress on January 3, 1940, and that the said nominations shall not be affected by the adjournment of the present session of Congress.

Mr. BARKLEY. I desire to modify that resolution by having it provide that all such nominations shall remain in statu quo until the next session of Congress.

The PRESIDING OFFICER. Is there objection?

Mr. McKELLAR. There are quite a number of nominations of postmasters that have already been approved by Senators from several States, and it seems to me when that has been done there is no reason why——

Mr. BARKLEY. This resolution does not interfere with such nominations. It simply means that when Congress adjourns any nomination not acted upon either in committee or on the calendar shall remain in statu quo.

Mr. McKELLAR. I did not understand that.

Mr. GEORGE. Mr. President, I ask that the clerk again read the resolution. Let me see if I understand it.

Mr. BARKLEY. Mr. President, I will say that is the usual resolution adopted at the end of the session, so that when for any reason nominations are not confirmed they do not lose their place but remain in statu quo until the next session.

Mr. AUSTIN. Mr. President, reserving the right to object, I ask the Senator if that part of the rule to which his resolution is addressed is this which I read:

Nominations neither confirmed nor rejected during the session at which they are made shall not be acted upon at any succeeding session without being again made to the Senate by the President; and if the Senate shall adjourn or take a recess for more than 30 days, all nominations pending and not finally acted upon at the time of taking such adjournment or recess shall be returned by the Secretary to the President, and shall not again be considered unless they shall again be made to the Senate by the President.

Is that the provision?

Mr. BARKLEY. That is the rule to which the resolution applies.

Mr. GEORGE. Mr. President, I do not want to be captious about the matter. But let us suppose that at the very end of this session the President should send in a nomination to fill a vacancy which was existing before the present Congress met. The Senate could not act upon it, and under the proposed unanimous-consent agreement, as I understand, that nomination would remain on the calendar for action at the next session of the Congress.

Mr. BARKLEY. It would remain on the calendar, or in the committee, if the committee had not acted.

Mr. GEORGE. Yes; but under the law, if a vacancy occurred prior to the opening of the present session of Congress, and the President did not see fit to fill it, or if he filled it and the nomination was neither acted upon favorably or unfavorably, he would be compelled to make a recess appointment, but I understand the action now proposed would obviate the necessity of a recess appointment.

Mr. BARKLEY. No; I do not think so.

Mr. GEORGE. If I am wrong about that——

Mr. BARKLEY. I do not think so. The President, of course, could proceed and make a recess appointment.

Mr. GEORGE. Yes; he can.

Mr. BARKLEY. I say he could.

Mr. GEORGE. Yes; he can.

Mr. BARKLEY. The resolution simply provides that nominations not acted upon before we adjourn shall remain in statu quo until we meet again. It would not prevent the President from making the recess appointment if he desired.

Mr. GEORGE. That is true, but——

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

Mr. BARKLEY. I yield.

Mr. AUSTIN. Would not the Senator consider it wise to have this particular matter go over until tomorrow?

Mr. BARKLEY. I have no desire to press it now. I will ask that it go over and lie on the table.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GEORGE. I will say that I have no objection if on the expiration of the present session nominations have not come in to fill vacancies that were in existence when Congress met. Under the Constitution if the President desires to fill such vacancies he may do so, but he can do so only in recess after we adjourn.

Mr. BARKLEY. I appreciate that. I do not think this resolution interferes at all with the President's power in that regard.

Mr. GEORGE. I want that very well understood.

Mr. AUSTIN. Mr. President, it will give us an opportunity to examine the resolution if it goes over until tomorrow.

Mr. BARKLEY. Yes. I have no desire to press it now. I will say that it is the resolution which is usually adopted at the end of the session.

Mr. SMITH. Mr. President, before this discussion is closed I will say that I had a personal experience which I think is in point. There was a vacancy. It was not filled. Congress adjourned. A recess appointment was made, and in the succeeding Congress no nomination was sent to the Senate, and the appointee held on regardless of any action of the Senate for 2 years.

Mr. BARKLEY. The resolution, of course, I will say, only applies to nominations that have been made and sent to the Senate and have not been acted on. It has no reference whatever to vacancies.

Mr. SMITH. I wish to suggest to the Senate that if nominations are to be confirmed by and with the consent of the Senate, the Senate should have a definite rule that when a recess appointment is made it must be acted upon at the succeeding session of Congress.

Mr. PITTMAN. Mr. President, I will say to the Senator that we have had that question under consideration in the Judiciary Committee with respect to a bill which I introduced.

Mr. SMITH. I am glad to hear it.

Mr. PITTMAN. And we have finally framed a bill which is intended to prevent the character of appointments to which the Senator has referred.

Mr. McKELLAR. Has the bill been reported?

Mr. PITTMAN. I have just reported it.

Mr. SMITH. I am glad to hear that, because I was once a victim of that very loose practice.

The PRESIDING OFFICER. If there be no further reports of committees, the clerk will state the nominations on the calendar.

FEDERAL BOARD FOR VOCATIONAL EDUCATION

The legislative clerk read the nomination of Dr. Paul H. Nystrom, of New York, to be a member of the Federal Board for Vocational Education.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

POSTMASTER—NOMINATION REJECTED

The legislative clerk read the nomination of Arthur A. Weng to be postmaster at Daggett, Mich., the nomination having been restored to the calendar, together with an adverse report thereon.

Mr. McKELLAR. I ask that the nomination be rejected.

The nomination was rejected.

POSTMASTERS—NOMINATIONS CONFIRMED

Mr. McKELLAR. I ask that all the other nominations of postmasters on the calendar be confirmed en bloc.

The PRESIDING OFFICER. Without objection, the nominations of postmasters on the calendar, with the exception noted, are confirmed en bloc.

IN THE NAVY

The legislative clerk proceeded to read sundry nominations for promotion in the Navy.

Mr. BARKLEY. I ask that the nominations for promotion in the Navy be confirmed en bloc.

The PRESIDING OFFICER. Without objection, the nominations are confirmed en bloc.

IN THE MARINE CORPS

The legislative clerk proceeded to read sundry nominations in the Marine Corps.

Mr. BARKLEY. I ask that the nominations for promotion in the Marine Corps be confirmed en bloc.

The PRESIDING OFFICER. Without objection, the nominations in the Marine Corps are confirmed en bloc.

That concludes the calendar of nominations.

JUDGES OF THE MUNICIPAL COURT, DISTRICT OF COLUMBIA

Mr. KING. Mr. President, two nominations were made by the President 2 days ago and referred to a subcommittee of the Committee on the Judiciary, consisting of the Senator from Vermont [Mr. AUSTIN] and myself. Those nominations are of Nathan Cayton to be judge of the municipal court of the District of Columbia and Ellen K. Raedy to be judge of the municipal court of the District of Columbia. The committee acted favorably on both nominations. The nominees are now acting in their respective capacities. There is no objection to them.

I now, from the Committee on the Judiciary, favorably report these nominations, and move that the nominations be confirmed.

The PRESIDING OFFICER. The clerk will state the nominations.

The legislative clerk read the nomination of Nathan Clayton, of the District of Columbia, to be judge of the municipal court.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of Ellen K. Raedy, of the District of Columbia, to be judge of the municipal court.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

JUDICIARY, TERRITORY OF HAWAII

Mr. KING. Mr. President, the President has transmitted to the Senate the names of seven persons to fill judicial positions in the Territory of Hawaii. I should state that all but one of those named are now holding judicial positions. Mr. McLaughlin is the one who is not now serving in a judicial capacity. For a number of years he has been serving as an assistant district attorney. He is a man of ability and was recommended by the President. The committee to which the nomination was sent unanimously acted favorably upon his nomination, as well as on the other nominations.

From the Committee on the Judiciary I now report the nominations favorably and ask that they be confirmed.

The PRESIDING OFFICER. The nominations will be stated.

The legislative clerk read the nomination of Delbert E. Metzger, of Hilo, to be United States district judge for the District of Hawaii.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of James L. Coke, of Honolulu, to be chief justice of the Supreme Court, Territory of Hawaii.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of Emil C. Peters, of Honolulu, to be associate justice of the Supreme Court, Territory of Hawaii.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of Albert M. Cristy, to be circuit judge of the first circuit, circuit courts, Territory of Hawaii.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of Francis M. Brooks, of Honolulu, to be fourth judge of the first circuit, circuit courts, Territory of Hawaii.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of Daniel H. Case, of Wailuku, to be judge of the second circuit, circuit courts, Territory of Hawaii.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of J. Franklin McLaughlin, of Honolulu, to be judge of the fourth circuit, circuit courts, Territory of Hawaii.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

Mr. KING. Mr. President, in view of the fact that all but one of those named for judicial positions have been serving, some of them for several years, and it is important that action be taken as soon as possible upon these nominations, I move that the President be notified of the confirmation of the nominations.

Mr. AUSTIN. Mr. President, the scope of the order which was just considered involves all the judges named by the Senator?

Mr. KING. Yes. That includes the two judges in the District of Columbia, Judge Caton and Judge Raedy, as well as the judges for the Territory of Hawaii.

The PRESIDING OFFICER. Without objection, the President will be notified.

CONVENTION WITH SWEDEN—DOUBLE TAXATION

Mr. BARKLEY. Mr. President, yesterday the Senator from Nevada [Mr. PITTMAN] referred to a treaty on the calendar, and deferred it until the Senator from Mississippi [Mr. HARRISON] could be present. The Senator from Mississippi has advised me that he has no objection to the ratification of that treaty. If there is no objection to it, we might dispose of it now.

Mr. PITTMAN. If there be no objection, I shall ask that the treaty be considered.

Mr. AUSTIN. Mr. President, will the Senator please explain the treaty?

Mr. PITTMAN. It is similar to treaties which exist between other countries. For illustration, Great Britain has an agreement with Sweden with respect to British companies which do business both in Great Britain and Sweden and earn incomes both in Great Britain and Sweden to the effect that the income earned in one country which is taxable in that country may be deducted from income in the other country. That is all.

Mr. AUSTIN. Is that a reciprocal arrangement?

Mr. PITTMAN. It is a reciprocal arrangement with regard to the manner in which each country shall treat companies doing business in both countries.

Mr. AUSTIN. And it is equal in its treatment on both sides?

Mr. PITTMAN. It is equal in its treatment on both sides.

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

Mr. PITTMAN. I yield.

Mr. CONNALLY. Has the Senator from Nevada considered the possibility that since this treaty deals with matters having to do with taxation, that it may have to be ratified by the House of Representatives in order to be valid?

Mr. PITTMAN. I do not think treaties of such a nature come within the jurisdiction of the House of Representatives.

The PRESIDING OFFICER. Is there objection to the present consideration of the convention?

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the convention, Executive K (76th Cong., 1st sess.), a convention between the United States of America and Sweden for the avoidance of double taxation and the establishment of rules of reciprocal administrative assistance in the case of income and other taxation, signed at Washington on March 23, 1939, which was read the second time, as follows:

The President of the United States of America and His Majesty the King of Sweden, being desirous of avoiding double taxation and of establishing rules of reciprocal administrative assistance in the case of income and other taxes, have decided to conclude a Convention and for that purpose have appointed as their respective Plenipotentiaries:

The President of the United States of America:

Sumner Welles, Acting Secretary of State of the United States of America; and

His Majesty the King of Sweden:

W. Boström, Envoy Extraordinary and Minister Plenipotentiary at Washington;

who, having communicated to one another their full powers found in good and due form, have agreed upon the following Articles:

ARTICLE I

The taxes referred to in this Convention are:

(a) In the case of the United States of America:

(1) The Federal income taxes, including surtaxes and excess-profits taxes.

(2) The Federal capital stock tax.

(b) In the case of Sweden:

(1) The National income and property tax, including surtax.

(2) The National special property tax.

(3) The communal income tax.

It is mutually agreed that the present Convention shall also apply to any other or additional taxes imposed by either contracting State, subsequent to the date of signature of this Convention, upon substantially the same bases as the taxes enumerated herein.

The benefits of this Convention shall accrue only to citizens and residents of the United States of America, to citizens and residents of Sweden and to United States or Swedish corporations and other entities.

ARTICLE II

An enterprise of one of the contracting States is not subject to taxation by the other contracting State in respect of its industrial and commercial profits except in respect of such profits allocable to its permanent establishment in the latter State. The income thus taxed in the latter State shall be exempt from taxation in the former State.

No account shall be taken, in determining the tax in one of the contracting States, of the mere purchase of merchandise effected therein by an enterprise of the other State.

The competent authorities of the two contracting States may lay down rules by agreement for the apportionment of industrial and commercial profits.

ARTICLE III

When an enterprise of one of the contracting States, by reason of its participation in the management or capital of an enterprise of the other contracting State, makes or imposes on the latter in their commercial or financial relations conditions different from those which would be made with an independent enterprise, any profits which should normally have appeared in the balance sheet of the latter enterprise but which have been in this manner diverted to the former enterprise may, subject to applicable measures of appeal, be incorporated in the taxable profits of the latter enterprise. In such case consequent rectifications may be made in the accounts of the former enterprise.

ARTICLE IV

Income which an enterprise of one of the contracting States derives from the operation of ships or aircraft registered in that State is taxable only in the State in which registered. Income derived by such an enterprise from the operation of ships or aircraft not so registered shall be subject to the provisions of Article II.

ARTICLE V

Income of whatever nature derived from real property, including gains derived from the sale of such property, but not including interest from mortgages or bonds secured by real property, shall be taxable only in the contracting State in which the real property is situated.

ARTICLE VI

Royalties from real property or in respect of the operation of mines, quarries, or other natural resources shall be taxable only

in the contracting State in which such property, mines, quarries, or other natural resources are situated.

Other royalties and amounts derived from within one of the contracting States by a resident or by a corporation or other entity of the other contracting State as consideration for the right to use copyrights, patents, secret processes and formulas, trade-marks and other analogous rights, shall be exempt from taxation in the former State.

ARTICLE VII

1. Dividends shall be taxable only in the contracting State in which the shareholder is resident or, if the shareholder is a corporation or other entity, in the contracting State in which such corporation or other entity is created or organized; provided, however, that each contracting State reserves the right to collect and retain (subject to applicable provisions of its revenue laws) the taxes which, under its revenue laws, are deductible at the source, but not in excess of 10 per centum of the amount of such dividends. For the purposes of this Article the National income and property tax imposed by Sweden shall be deemed to be a tax deducted at the source.

2. Notwithstanding the provisions of Article XXII of this Convention, the provisions of this Article may be terminated by either of the contracting States at the end of two years from the date upon which this Convention enters into force or at any time thereafter, provided at least six months' prior notice of termination is given, such termination to become effective on the first day of January following the expiration of such six-month period. In the event the provisions of this Article are terminated, the provisions of—

(1) Article XIII (2), in so far as they relate to the special property tax imposed by Sweden upon shares in a corporation;

(2) Article XIV (b) (2), relating to the allowance of an additional deduction from taxes on dividends; and

(3) Article XVI, in so far as they relate to exchange of information with respect to dividends,

will likewise terminate.

ARTICLE VIII

Interest on bonds, notes, or loans shall be taxable only in the contracting State in which the recipient of such interest is a resident or, in the case of a corporation or other entity, in the State in which the corporation or other entity is created or organized; provided, however, that each contracting State reserves the right to collect and retain (subject to applicable provisions of its revenue laws) the taxes which, under its revenue laws, are deductible at the source.

ARTICLE IX

Gains derived in one of the contracting States from the sale or exchange of capital assets by a resident or a corporation or other entity of the other contracting State shall be exempt from taxation in the former State, provided such resident or corporation or other entity has no permanent establishment in the former State.

ARTICLE X

Wages, salaries and similar compensation and pensions paid by one of the contracting States or by the political subdivisions or territories or possessions thereof to individuals residing in the other State shall be exempt from taxation in the latter State.

Private pensions and life annuities derived from within one of the contracting States and paid to individuals residing in the other contracting State shall be exempt from taxation in the former State.

ARTICLE XI

(a) Compensation for labor or personal services, including the practice of the liberal professions, shall be taxable only in the contracting State in which such services are rendered.

(b) The provisions of paragraph (a) are, however, subject to the following exceptions:

A resident of Sweden shall be exempt from United States tax upon compensation for labor or personal services performed within the United States of America if he falls within either of the following classifications:

1. He is temporarily present within the United States of America for a period or periods not exceeding a total of one hundred eighty days during the taxable year and his compensation is received for labor or personal services performed as an employee of, or under contract with, a resident or corporation or other entity of Sweden; or

2. He is temporarily present in the United States of America for a period or periods not exceeding a total of ninety days during the taxable year and the compensation received for such services does not exceed $3,000.00 in the aggregate.

In such cases Sweden reserves the right to the taxation of such income.

(c) The provisions of paragraph (b) of this Article shall apply, mutatis mutandis, to a resident of the United States of America deriving compensation for personal services performed within Sweden.

(d) The provisions of paragraphs (b) and (c) of this Article shall have no application to the professional earnings of such individuals as actors, artists, musicians and professional athletes.

(e) The provisions of this Article shall have no application to the income to which Article X relates.

ARTICLE XII

Students or business apprentices from one contracting State residing in the other contracting State exclusively for purposes of study or for acquiring business experience shall not be taxable by the latter State in respect of remittances received by them from within the former State for the purposes of their maintenance or studies.

ARTICLE XIII

In the case of taxes on property or increment of property the following provisions shall be applicable:

(1) If the property consists of:

(a) Immovable property and accessories appertaining thereto;

(b) Commercial or industrial enterprises, including maritime shipping and air transport undertakings;

the tax may be levied only in that contracting State which is entitled under the preceding Articles to tax the income from such property.

(2) In the case of all other forms of property, the tax may be levied only in that contracting State where the taxpayer has his residence or, in the case of a corporation or other entity, in the contracting State where the corporation or other entity has been created or organized.

The same principles shall apply to the United States capital stock tax with respect to corporations of Sweden having capital or other property in the United States of America.

ARTICLE XIV

It is agreed that double taxation shall be avoided in the following manner:

(a) Notwithstanding any other provision of this Convention, the United States of America in determining the income and excess-profits taxes, including all surtaxes, of its citizens or residents or corporations, may include in the basis upon which such taxes are imposed all items of income taxable under the revenue laws of the United States of America as though this Convention had not come into effect. The United States of America shall, however, deduct the amount of the taxes specified in Article I (b) (1) and (3) of this Convention or other like taxes from the income tax thus computed but not in excess of that portion of the income tax liability which the taxpayer's net income taxable in Sweden bears to his entire net income.

(b) (1) Notwithstanding any other provision of this Convention, Sweden, in determining the graduated tax on income and property of its residents or corporations or other entities, may include in the basis upon which such tax is imposed all items of income and property subject to such tax under the taxation laws of Sweden. Sweden shall, however, deduct from the tax so calculated that portion of such tax liability which the taxpayer's income and property exempt from taxation in Sweden under the provisions of this Convention bears to his entire income and property.

(2) There shall also be allowed by Sweden from its National income and property tax a deduction offsetting the tax deducted at the source in the United States of America, amounting to not less than 5 per centum of the dividends from within the United States of America and subject to such tax in Sweden. It is agreed that the United States of America shall allow a similar credit against the United States income tax liability of citizens of Sweden residing in the United States of America.

ARTICLE XV

With a view to the more effective imposition of the taxes to which the present Convention relates, each of the contracting States undertakes, subject to reciprocity, to furnish such information in the matter of taxation, which the authorities of the State concerned have at their disposal or are in a position to obtain under their own law, as may be of use to the authorities of the other State in the assessment of the taxes in question and to lend assistance in the service of documents in connection therewith. Such information and correspondence relating to the subject matter of this Article shall be exchanged between the competent authorities of the contracting States in the ordinary course or on demand.

ARTICLE XVI

1. In accordance with the preceding Article, the competent authorities of the United States of America shall forward to the competent authorities of Sweden as soon as practicable after the close of each calendar year the following information relating to such calendar year:

(a) The names and addresses of all addressees within Sweden deriving from sources within the United States of America dividends, interest, royalties, pensions, annuities, or other fixed or determinable annual or periodical income, showing the amount of such income with respect to each addressee;

(b) Any particulars which the competent United States authorities may obtain from banks, savings banks or other similar institutions concerning assets belonging to individuals resident in Sweden or to Swedish corporations or other entities;

(c) Any particulars which the competent United States authorities may obtain from inventories in the case of property passing on death concerning debts contracted with individuals resident in Sweden or Swedish corporations or other entities.

2. The competent authorities of Sweden shall forward to the competent authorities of the United States of America as soon as practicable after the close of each calendar year the following information relating to such calendar year:

(a) The particulars contained in the forms delivered to the Swedish authorities in connection with the payment to indi-

viduals or corporations or other entities whose addresses are within the United States of America of dividends on shares in a corporation or participation certificates in cooperative societies, and interest on bonds or other similar securities;

(b) The particulars contained in permits accorded to individuals resident in the United States of America or to United States corporations or other entities to enable them to acquire for business purposes immovable property situated in Sweden;

(c) Any particulars which the central Swedish authorities may obtain from banks, savings banks or other similar institutions concerning assets belonging to individuals resident in the United States of America or to United States corporations or other entities;

(d) Any particulars which the central Swedish authorities may obtain from inventories in the case of property passing on death, concerning debts contracted with individuals resident in the United States of America, or United States corporations or other entities;

(e) A list of the names and addresses of all United States citizens resident in the United States of America who have made declarations to the Central Committee in Stockholm in charge of the taxation of taxpayers not resident in Sweden for purposes of the Swedish tax on income and property;

(f) Particulars concerning annuities and pensions, public or private, paid to individuals resident in the United States of America.

ARTICLE XVII

Each contracting State undertakes, in the case of citizens or corporations or other entities of the other contracting State, to lend assistance and support in the collection of the taxes to which the present Convention relates, together with interest, costs, and additions to the taxes and fines not being of a penal character. The contracting State making such collection shall be responsible to the other contracting State for the sums thus collected.

In the case of applications for enforcement of taxes, revenue claims of each of the contracting States which have been finally determined shall be accepted for enforcement by the other contracting State and collected in that State in accordance with the laws applicable to the enforcement and collection of its own taxes. The State to which application is made shall not be required to enforce executory measures for which there is no provision in the law of the State making the application.

The applications shall be accompanied by such documents as are required by the laws of the State making the application to establish that the taxes have been finally determined.

If the revenue claim has not been finally determined the State to which application is made may, at the request of the other contracting State, take such measures of conservancy as are authorized by the revenue laws of the former State.

ARTICLE XVIII

The competent authority of each of the contracting States shall be entitled to obtain, through diplomatic channels, from the competent authority of the other contracting State, particulars in concrete cases relative to the application to citizens or to corporations or other entities of the former State, of the taxes to which the present Convention relates. With respect to particulars in other cases, the competent authority of each of the contracting States will give consideration to requests from the competent authority of the other contracting State.

ARTICLE XIX

In no case shall the provisions of Article XVII, relating to mutual assistance in the collection of taxes, or of Article XVIII, relating to particulars in concrete cases, be construed so as to impose upon either of the contracting States the obligation

(1) to carry out administrative measures at variance with the regulations and practice of either contracting State, or

(2) to supply particulars which are not procurable under its own legislation or that of the State making application.

The State to which application is made for information or assistance shall comply as soon as possible with the request addressed to it. Nevertheless, such State may refuse to comply with the request for reasons of public policy or if compliance would involve violation of a business, industrial or trade secret or practice. In such case it shall inform, as soon as possible, the State making the application.

ARTICLE XX

Where a taxpayer shows proof that the action of the revenue authorities of the contracting States has resulted in double taxation in his case in respect of any of the taxes to which the present Convention relates, he shall be entitled to lodge a claim with the State of which he is a citizen, or if he is not a citizen of either of the contracting States, with the State of which he is a resident, or, if the taxpayer is a corporation or other entity, with the State in which it is created or organized. Should the claim be upheld, the competent authority of such State may come to an agreement with the competent authority of the other State with a view to equitable avoidance of the double taxation in question.

ARTICLE XXI

The competent authorities of the two contracting States may prescribe regulations necessary to interpret and carry out the provisions of this Convention. With respect to the provisions of this Convention relating to exchange of information, service of documents and mutual assistance in the collection of taxes, such authorities may, by common agreement, prescribe rules concerning matters of procedure, forms of application and replies thereto, conversion of currency, disposition of amounts collected, minimum amounts subject to collection and related matters.

ARTICLE XXII

The present Convention shall be ratified, in the case of the United States of America, by the President, by and with the advice and consent of the Senate, and in the case of Sweden, by His Majesty the King, with the consent of the Riksdag. The ratifications shall be exchanged at Stockholm.

This Convention shall become effective on the first day of January following the exchange of the instruments of ratification and shall apply to income realized and property held on or after that date. The Convention shall remain in force for a period of five years and indefinitely thereafter but may be terminated by either contracting State at the end of the five-year period or at any time thereafter, provided at least six months' prior notice of termination has been given, the termination to become effective on the first day of January following the expiration of the six-month period.

In witness whereof the respective Plenipotentiaries have signed this Convention and have affixed their seals hereto.

Done in duplicate, in the English and Swedish languages, both authentic, at Washington, this twenty-third day of March, nineteen hundred and thirty-nine.

For the President of the United States of America:

SUMNER WELLES [SEAL]

For His Majesty the King of Sweden:

W. BOSTRÖM [SEAL]

PROTOCOL

At the moment of signing the Convention for the avoidance of double taxation, and the establishment of rules of reciprocal administrative assistance in the case of income and other taxes, this day concluded between the United States of America and Sweden, the undersigned Plenipotentiaries have agreed that the following provisions shall form an integral part of the Convention:

1. As used in this Convention:

(a) The term "permanent establishment" includes branches, mines and oil wells, plantations, factories, workshops, warehouses, offices, agencies, installations, and other fixed places of business of an enterprise but does not include the casual or temporary use of merely storage facilities. A permanent establishment of a subsidiary corporation shall not be deemed to be a permanent establishment of the parent corporation. When an enterprise of one of the contracting States carries on business in the other State through an employee or agent, established there, who has general authority to contract for his employer or principal, it shall be deemed to have a permanent establishment in the latter State. But the fact that an enterprise of one of the contracting States has business dealings in the other State through a bona fide commission agent, broker or custodian shall not be held to mean that such enterprise has a permanent establishment in the latter State.

(b) The term "enterprise" includes every form of undertaking whether carried on by an individual, partnership, corporation, or any other entity.

(c) The term "enterprise of one of the contracting States" means, as the case may be, "United States enterprise" or "Swedish enterprise."

(d) The term "United States enterprise" means an enterprise carried on in the United States of America by a resident of the United States of America or by a United States corporation or other entity; the term "United States corporation or other entity" means a partnership, corporation or other entity created or organized in the United States of America or under the law of the United States of America or of any State or Territory of the United States of America.

(e) The term "Swedish enterprise" is defined in the same manner, mutatis mutandis, as the term "United States enterprise."

2. The term "corporation" includes associations, joint-stock companies, and insurance companies.

3. A citizen of one of the contracting States not residing in either shall be deemed, for the purpose of this Convention, to be a resident of the contracting State of which he is a citizen.

When doubt arises with respect to residence or with respect to the taxable status of corporations or other entities, the competent authorities of the two contracting States may settle the question by mutual agreement.

4. The provisions of Swedish law concerning the taxation of the undivided estates of deceased persons shall not apply where the beneficiaries are directly liable to taxation in the United States of America.

5. The term "life annuities" referred to in Article X of this Convention means a stated sum payable periodically at stated times during life, or during a specified number of years, under an obligation to make the payments in consideration of a gross sum paid for such obligation.

6. The Swedish so-called "fees tax" (bevillningsavgift för vissa offentliga föreställningar) based on gross income in so far as it affects such individuals as actors, artists, musicians and professional athletes shall be deemed to be an income tax for the purposes of Article XIV (a).

The credit for taxes provided in Article XIV shall have no application to taxes deducted at the source from dividends and interest except to the extent provided in paragraph (b) (2) of that Article.

In the application of the provisions of this Convention the benefits of section 131 of the United States Revenue Act of 1938, relating to credits for foreign taxes, shall be accorded, but the credit provided for in Article XIV (a) shall not extend to United States excess-profits taxes nor to the surtax imposed on personal holding companies.

7. Citizens of each of the contracting States residing within the other contracting State shall not be subjected in the latter State to other or higher taxes than are imposed upon the citizens of such latter State.

8. The provisions of this Convention shall not be construed to deny or affect in any manner the right of diplomatic and consular officers to other or additional exemptions now enjoyed or which may hereafter be granted to such officers, nor to deny to either of the contracting States the right to subject to taxation its own diplomatic and consular officers.

9. The provisions of the present Convention shall not be construed to restrict in any manner any exemption, deduction, credit or other allowance accorded by the laws of one of the contracting States in the determination of the tax imposed by such State.

10. In the administration of the provisions of this Convention relating to exchange of information, service of documents, and mutual assistance in collection of taxes, fees and costs incurred in the ordinary course shall be borne by the State to which application is made but extraordinary costs incident to special forms of procedure shall be borne by the applying State.

11. Documents and other communications or information contained therein, transmitted under the provisions of this Convention by one of the contracting States to the other contracting State shall not be published, revealed or disclosed to any person except to the extent permitted under the laws of the latter State with respect to similar documents, communications, or information.

12. As used with respect to revenue claims in Article XVII of this Convention the term "finally determined" shall be deemed to mean:

(a) In the case of Sweden, claims which have been finally established, even though still open to revision by exceptional procedure;

(b) In the case of the United States of America, claims which are no longer appealable, or which have been determined by decision of a competent tribunal, which decision has become final.

13. As used in this Convention the term "competent authority" or "competent authorities" means, in the case of the United States of America, the Secretary of the Treasury and in the case of Sweden, the Finance Ministry.

14. The term "United States of America" as used in this Convention in a geographical sense includes only the States, the Territories of Alaska and Hawaii, and the District of Columbia.

15. Should any difficulty or doubt arise as to the interpretation or application of the present Convention, or its relationship to Conventions between one of the contracting States and any other State, the competent authorities of the contracting States may settle the question by mutual agreement.

16. The present Convention and Protocol shall not be deemed to affect the exchange of notes between the United States of America and Sweden providing relief from double income taxation on shipping profits, signed March 31, 1938.

Done at Washington, this twenty-third day of March, nineteen hundred and thirty-nine.

SUMNER WELLES [SEAL]
W. BOSTRÖM [SEAL]

The PRESIDING OFFICER. The convention is before the Senate and open to amendment. If there be no amendment to be proposed, the convention will be reported to the Senate.

The convention was reported to the Senate without amendment.

The PRESIDING OFFICER. The resolution of ratification will be read.

The legislative clerk read as follows:

Resolved (two-thirds of the Senators present concurring therein), That the Senate advise and consent to the ratification of Executive K, Seventy-sixth Congress, first session, a convention between the United States of America and Sweden for the avoidance of double taxation and the establishment of rules of reciprocal administrative assistance in the case of income and other taxation, signed at Washington on March 23, 1939.

The PRESIDING OFFICER. The question is on agreeing to the resolution of ratification. (Putting the question.) Two-thirds of the Senators present concurring therein, the resolution of ratification is agreed to, and the convention is ratified.

RECESS

Mr. BARKLEY. As in legislative session, I move that the Senate take a recess until 11 o'clock a. m. tomorrow.

The motion was agreed to; and (at 5 o'clock and 45 minutes p. m.) the Senate took a recess until tomorrow, Thursday, August 3, 1939, at 11 o'clock a. m.

NOMINATIONS

Executive nominations received by the Senate August 2, 1939

ASSISTANT SECRETARY OF STATE

Henry F. Grady, of California, to be an Assistant Secretary of State.

UNITED STATES DISTRICT JUDGES

Hon. Lloyd L. Black, of Washington, to be United States district judge for the western district of Washington, to fill a position created by the act of Congress of May 31, 1938.

Hon. Delbert E. Metzger, of Hilo, to be United States district judge for the district of Hawaii, vice Hon. Edward M. Watson, deceased.

SUPREME COURT OF THE TERRITORY OF HAWAII

James L. Coke, of Honolulu, to be chief justice of the supreme court, Territory of Hawaii. He is now serving in this office under an appointment which expired June 18, 1938.

Hon. Emil C. Peters, of Honolulu, to be associate justice of the supreme court, Territory of Hawaii. Judge Peters is now serving in this post under an appointment which expired July 26, 1939.

CIRCUIT COURTS, TERRITORY OF HAWAII

Hon. Albert M. Cristy, of Honolulu, to be second judge of the first circuit, circuit courts, Territory of Hawaii. He is now serving in this post under an appointment which expires August 8, 1939.

Hon. Francis M. Brooks, of Honolulu, to be fourth judge of the first circuit, circuit courts, Territory of Hawaii. Judge Brooks is now serving in this post under an appointment which expired July 26, 1939.

Hon. Daniel H. Case, of Wailuku, to be judge of the second circuit, circuit courts, Territory of Hawaii. He is now serving in this post under an appointment which expires August 6, 1939.

J. Frank McLaughlin, of Honolulu, to be judge of the fourth circuit, circuit courts, Territory of Hawaii, vice Hon. Delbert E. Metzger, who has been named United States district judge.

PROMOTIONS IN THE REGULAR ARMY

TO BE COLONELS

Lt. Col. Austin Garfield Frick, Coast Artillery Corps, from August 1, 1939.

Lt. Col. Sydney Smith Winslow, Quartermaster Corps, from August 1, 1939.

Lt. Col. Wilmot Alfred Danielson, Quartermaster Corps, from August 1, 1939.

Lt. Col. Boltos Elder Brewer, Infantry, from August 1, 1939.

Lt. Col. Edgar Bergman Colladay, Coast Artillery Corps, from August 1, 1939.

Lt. Col. James Allan Stevens, Infantry, from August 1, 1939.

Lt. Col. Frederick Ramon Garcin, Chemical Warfare Service, from August 1, 1939.

TO BE LIEUTENANT COLONELS

Maj. McFarland Cockrill, Cavalry, from August 1, 1939.

Maj. Otto Blaine Trigg, Cavalry, from August 1, 1939.

Maj. Edison Albert Lynn, Ordnance Department, from August 1, 1939.

Maj. Lawrence Cordell Frizzell, Cavalry, from August 1, 1939.

Maj. Guy Humphrey Drewry, Ordnance Department, from August 1, 1939.

Maj. Henry Davis Jay, Field Artillery, from August 1, 1939.

Maj. Clarence Maxwell Culp, Infantry, from August 1, 1939.

Maj. Ray Lawrence Burnell, Field Artillery, from August 1, 1939.

Maj. Raphael Saul Chavin, Ordnance Department, from August 1, 1939.

TO BE MAJORS

Capt. Mortimer Francis Sullivan, Cavalry, from August 1, 1939.

Capt. Eggleston Westley Peach, Quartermaster Corps, from August 1, 1939.

Capt. Leslie Dillon Carter, Cavalry, from August 1, 1939.

Capt. Don Riley, Infantry, from August 1, 1939.

Capt. Pembroke Augustine Brawner, Infantry, from August 1, 1939.

Capt. Isaac Leonard Kitts, Field Artillery, from August 1, 1939.

Capt. Fred Charles Thomas, Quartermaster Corps, from August 1, 1939.

Capt. Merrill Deitz Mann, Air Corps (temporary major, Air Corps), from August 1, 1939.

Capt. James Bernard Patterson, Cavalry, from August 1, 1939.

Capt. Albert Carl Foulk, Air Corps (temporary major, Air Corps), from August 1, 1939.

Capt. Edward Vincent Harbeck, Jr., Air Corps (temporary major, Air Corps), from August 1, 1939.

APPOINTMENT, BY TRANSFER, IN THE REGULAR ARMY

First Lt. Robin Bruce Epler, Air Corps, to Chemical Warfare Service, with rank from June 13, 1936.

APPOINTMENTS AND PROMOTIONS IN THE NAVY

Commander Howard D. Bode to be a captain in the Navy, to rank from the 1st day of July 1939.

The following-named lieutenant commanders to be commanders in the Navy, to rank from the 1st day of July 1939:

Robert H. Harrell	Elwood M. Tillson
William E. A. Mullan	Alva J. Spriggs
Daniel F. Worth, Jr.	

The following-named lieutenants to be lieutenant commanders in the Navy, to rank from the 1st day of July 1939:

Raymond F. Tyler	Michael J. Malanaphy
Thomas D. Guinn	David B. Justice
James R. Harrison	William B. Whaley, Jr.
Harold B. Herty	Frederick S. Hall
Fred J. Barden	Daniel B. Candler
Russell D. Bell	Louis F. Teuscher
William I. Leahy	Philip S. Reynolds
Brook S. Mansfield	Charles D. Beaumont, Jr.
Robert H. Hargrove	Steele B. Smith
Charles C. Anderson	Albin R. Sodergren
Chester A. Swafford	Henry D. Batterton
Henry G. Williams	Thomas E. Kelly
William F. Ramsey	George A. T. Washburn
Eugene P. Sherman	Winston P. Folk
Paul E. Howard	Theodore J. Shultz
William G. Fewel	Crutchfield Adair
Charles P. Woodson	John H. Morrill
Harry L. Bixby	Chester E. Carroll
William G. Forbes	William A. Kanakanui
Fort H. Callahan	William J. Marshall
Charles W. Roland	James M. Robinson
Charles J. Marshall	Ernest M. Eller
Walter F. Weidner	Richard G. Voge
John R. Hume	Robert E. Cronin
Roy R. Darron	

The following-named lieutenants (junior grade) to be lieutenants in the Navy, to rank from the 1st day of July 1939.

Peter M. Gaviglio	John H. Brockway
Theodore A. Torgerson	Sidney J. Lawrence
Victor A. King	Millard J. Klein
Lowell W. Williams	Seymour D. Owens
Charles F. Sell	Nelson M. Head
Charles C. Kirkpatrick	John N. Hughes
Curtis E. Smith	Bernard F. McMahon
Reid P. Fiala	Philip W. Mothersill
Donald T. Wilber	Benjamin P. Field, Jr.
Alfred B. Metsger	Elliott E. Marshall
Charles L. Crommelin	Gerald L. Ketchum
Anthony C. Roessler	Samuel E. Nelson
Lion T. Miles	Robert S. Fahle
John F. Harper, Jr.	William H. Johnsen
Jay S. Anderson	Richard N. Antrim
Karl R. Wheland	Vincent J. Meola
Charles O. Cook, Jr.	Andrew L. Young, Jr.
George B. Madden	Clarence L. Gaasterland
Robert P. Beebe	Harlan T. Johnson
Joseph T. Thornton, Jr.	Charles L. Werts
Lee S. Pancake	John W. Gannon
Alden H. Irons	James I. Cone
Henry Williams, Jr.	Baxter M. McKay
Wilmer E. Gallaher	Robert E. C. Jones
William W. Fitts	Edward L. Foster
Frederic S. Steinke	Joseph W. Leverton, Jr.
Jack Bercaw Williams	Warren R. Thompson
Charles M. Jett	Marvin J. Jensen
Carlton C. Lucas	James C. Dempsey
Ernest B. Ellsworth, Jr.	Charles W. Aldrich
Ward T. Shields	Mann Hamm
Albert H. Wilson, Jr.	Prentis K. Will
William C. Hughes, Jr.	Warren G. Corliss
John D. Huntley	Walter J. Stewart
Alfred B. Tucker, III	Thomas H. Copeman
James D. Grant	Peyton L. Wirtz
Henry R. Wier	James B. Weiler

The following named ensigns to be lieutenants (junior grade) in the Navy, to rank from the 4th day of June 1939:

Allan F. Fleming	Jack C. Moore
Willard M. Hanger	Everett M. Link, Jr.
Robert J. Williams	Daniel McE. Entler, Jr.
Joseph L. Evans	Richard A. Teel
Otis R. Cole, Jr.	

Medical Inspector Ruskin M. Lhamon to be a medical director in the Navy, with the rank of captain, to rank from the 1st day of July 1939.

The following-named dental surgeons to be dental surgeons in the Navy, with the rank of commander, to rank from the 23d day of June 1938:

Carlton B. Morse
Frank V. Davis
John L. McCarthy

The following-named passed assistant dental surgeons to be dental surgeons in the Navy, with the rank of lieutenant commander, to rank from the 1st day of July 1939:

Louis D. Mitchell, Jr.	Edwin D. Foulk
Robert P. Irons	Walter P. Caruthers

The following-named assistant paymasters to be passed assistant paymasters in the Navy, with the rank of lieutenant, to rank from the 1st day of July 1939:

Marshall H. Cox
Ignatius N. Tripi
John W. Crumpacker

The following-named civil engineers to be civil engineers in the Navy, with the rank of commander, to rank from the 30th day of June 1936:

Raymond V. Miller	Theron A. Hartung
Charles R. Johnson	Herbert S. Bear

The following-named civil engineers to be civil engineers in the Navy with the rank of commander, to rank from the 23d day of June 1938:

Harold W. Johnson
Edmund B. Keating

The following-named civil engineers to be civil engineers in the Navy, with the rank of commander, to rank from the 1st day of July 1939:

Clyde W. Coryell	William O. Hiltabidle, Jr.
Edward D. Graffin	Cushing Phillips
William W. Schneider	James D. Wilson
Henry E. Wilson	John C. Gebhard

Boatswain William E. White to be a chief boatswain in the Navy, to rank with but after ensign, from the 15th day of June 1939.

POSTMASTERS

ALABAMA

John D. Means to be postmaster at Boligee, Ala., in place of D. H. Byrd. Incumbent's commission expired January 22, 1939.

Frank A. Bryan to be postmaster at Columbia, Ala., in place of F. A. Bryan. Incumbent's commission expired May 2, 1939.

John T. Cooper to be postmaster at Hartselle, Ala., in place of J. L. Day, deceased.

ALASKA

William H. Murray to be postmaster at Skagway, Alaska, in place of W. H. Murray. Incumbent's commission expired January 17, 1939.

ARKANSAS

Frank Welch to be postmaster at Carlisle, Ark., in place of Frank Welch. Incumbent's commission expired June 26, 1939.

John L. Hyde to be postmaster at Tillar, Ark., in place of J. L. Hyde. Incumbent's commission expired July 1, 1939.

Leila B. Lynch to be postmaster at Weiner, Ark., in place of L. B. Lynch. Incumbent's commission expired July 1, 1939.

CALIFORNIA

Myrtle E. Vance to be postmaster at Portola, Calif., in place of M. E. Vance. Incumbent's commission expired February 9, 1939.

Mat Alfred Schaeffer to be postmaster at Vernalis, Calif., in place of M. A. Schaeffer. Incumbent's commission expired July 24, 1939.

COLORADO

Joseph A. Pfost to be postmaster at Arapahoe, Colo., in place of J. A. Pfost. Incumbent's commission expires August 21, 1939.

Charles H. Rash to be postmaster at Dolores, Colo., in place of C. H. Rash. Incumbent's commission expired July 11, 1939.

John T. Adkins to be postmaster at Holly, Colo., in place of J. T. Adkins. Incumbent's commission expired June 18, 1939.

George H. Duke, Jr., to be postmaster at Hotchkiss, Colo., in place of G. H. Duke, Jr. Incumbent's commission expires August 27, 1939.

Cleatus G. Marshall to be postmaster at Pagosa Springs, Colo., in place of C. G. Marshall. Incumbent's commission expired July 22, 1939.

Mary E. Dermody to be postmaster at Strasburg, Colo., in place of M. E. Dermody. Incumbent's commission expired July 9, 1939.

CONNECTICUT

William J. Collamore to be postmaster at Essex, Conn., in place of E. S. Coulter, deceased.

Frank R. Stevens to be postmaster at Rowayton, Conn., in place of F. R. Stevens. Incumbent's commission expired May 13, 1939.

George H. Tetreault, Jr., to be postmaster at Versailles, Conn., in place of G. H. Tetreault, Jr. Incumbent's commission expired July 30, 1939.

Inez V. Lawson to be postmaster at Wilton, Conn., in place of I. V. Lawson. Incumbent's commission expired March 28, 1939.

DELAWARE

Charles J. Dougherty to be postmaster at New Castle, Del., in place of C. J. Dougherty. Incumbent's commission expired June 18, 1938.

FLORIDA

Frank W. Dole to be postmaster at Fellsmere, Fla., in place of F. W. Dole. Incumbent's commission expired July 1, 1939.

Rubye C. Farmer to be postmaster at Holly Hill, Fla., in place of R. C. Farmer. Incumbent's commission expires August 9, 1939.

Oliver K. Holmes to be postmaster at Lake City, Fla., in place of R. H. Chapman, resigned.

Lynn W. Bloom to be postmaster at Lakeland, Fla., in place of L. W. Bloom. Incumbent's commission expired March 27, 1939.

Charlie B. Goodman to be postmaster at Shamrock, Fla., in place of C. B. Goodman. Incumbent's commission expires August 9, 1939.

Montrose W. Neeley to be postmaster at Wabasso, Fla., in place of M. W. Neeley. Incumbent's commission expired July 26, 1939.

GEORGIA

Lessie F. Gray to be postmaster at Graymont, Ga., in place of L. F. Gray. Incumbent's commission expired July 12, 1939.

Edward A. Barnett to be postmaster at Leary, Ga., in place of E. A. Barnett. Incumbent's commission expired July 1, 1939.

George S. Thompson to be postmaster at Odum, Ga., in place of G. S. Thompson. Incumbent's commission expired July 1, 1939.

Watson K. Bargeron to be postmaster at Sardis, Ga., in place of W. K. Bargeron. Incumbent's commission expired July 19, 1939.

Daniel M. Proctor to be postmaster at Woodbine, Ga., in place of D. M. Proctor. Incumbent's commission expired January 22, 1939.

IDAHO

Alvin L. Funk to be postmaster at Aberdeen, Idaho, in place of Frank Dvorak, deceased.

Arvene J. Boyle to be postmaster at Blackfoot, Idaho, in place of A. J. Boyle. Incumbent's commission expired June 26, 1939.

Parley Rigby to be postmaster at Idaho Falls, Idaho, in place of Parley Rigby. Incumbent's commission expired March 13, 1939.

ILLINOIS

George A. Porter to be postmaster at Alexis, Ill., in place of G. A. Porter. Incumbent's commission expired June 6, 1938.

Leonora C. Rentschler to be postmaster at Chestnut, Ill., in place of L. C. Rentschler. Incumbent's commission expires August 22, 1939.

Ben Bramlett to be postmaster at Enfield, Ill., in place of Ben Bramlett. Incumbent's commission expires August 13, 1939.

Howard M. Feaster to be postmaster at Hillsdale, Ill., in place of H. M. Feaster. Incumbent's commission expired June 17, 1939.

Gertrude G. Schrader to be postmaster at Leland, Ill., in place of G. G. Schrader. Incumbent's commission expires August 26, 1939.

Jane M. Dorfler to be postmaster at Mundelein, Ill., in place of J. M. Dorfler. Incumbent's commission expired June 12, 1938.

Irwin Knudson to be postmaster at Newark, Ill., in place of Irwin Knudson. Incumbent's commission expired July 26, 1939.

Robert J. White to be postmaster at New Berlin, Ill., in place of R. J. White. Incumbent's commission expired June 17, 1939.

William K. Lyon to be postmaster at Niles Center, Ill., in place of W. K. Lyon. Incumbent's commission expired July 31, 1939.

Mary Bellert Corson to be postmaster at Northbrook, Ill., in place of M. B. Corson. Incumbent's commission expired March 23, 1939.

William H. Woodard to be postmaster at North Chicago, Ill., in place of W. H. Woodard. Incumbent's commission expired May 28, 1938.

Mansford W. Blackard to be postmaster at Omaha, Ill., in place of M. W. Blackard. Incumbent's commission expired July 1, 1939.

Lena Maude McBride to be postmaster at Pawpaw, Ill., in place of L. M. McBride. Incumbent's commission expired February 7, 1939.

Edna O. Trumbull to be postmaster at River Grove, Ill., in place of E. O. Trumbull. Incumbent's commission expired June 27, 1939.

Parke Burnham to be postmaster at Ullin, Ill., in place of Parke Burnham. Incumbent's commission expired May 29, 1939.

Agnes Clifford to be postmaster at Venice, Ill., in place of Agnes Clifford. Incumbent's commission expires August 22, 1939.

Irma M. Clark to be postmaster at Victoria, Ill., in place of R. K. Collinson. Incumbent's commission expired January 16, 1939.

Herbert L. O'Connell to be postmaster at Wilmette, Ill., in place of H. L. O'Connell. Incumbent's commission expired June 27, 1939.

John R. King to be postmaster at Winchester, Ill., in place of J. R. King. Incumbent's commission expired June 17, 1939.

Grover Cleveland Thornton to be postmaster at Worden, Ill., in place of E. F. Picker, removed.

INDIANA

Joseph A. McCormick to be postmaster at Ambia, Ind., in place of J. A. McCormick. Incumbent's commission expired July 18, 1939.

Ira G. Davis to be postmaster at Anderson, Ind., in place of H. L. Brendel, deceased.

Samuel O. McCarty to be postmaster at Carthage, Ind., in place of S. O. McCarty. Incumbent's commission expired June 26, 1939.

Quitman J. Van Laningham to be postmaster at Fortville, Ind., in place of Q. J. Van Laningham. Incumbent's commission expired June 1, 1939.

Ada R. Wilson to be postmaster at Galveston, Ind., in place of A. R. Wilson. Incumbent's commission expired May 3, 1938.

Lee Fattic to be postmaster at Middletown, Ind., in place of Lee Fattic. Incumbent's commission expired May 15, 1939.

Henry T. Cain to be postmaster at Remington, Ind., in place of H. T. Cain. Incumbent's commission expires August 27, 1939.

Carl F. Bardonner to be postmaster at Reynolds, Ind., in place of C. F. Bardonner. Incumbent's commission expires August 26, 1939.

Cova H. Wetzel to be postmaster at Rockport, Ind., in place of C. H. Wetzel. Incumbent's commission expired June 18, 1939.

Thomas J. Conley to be postmaster at Rome City, Ind., in place of T. J. Conley. Incumbent's commission expired July 27, 1939.

Frank L. Hand to be postmaster at Royal Center, Ind., in place of F. L. Hand. Incumbent's commission expired May 3, 1938.

Leo Bertram Whitehead to be postmaster at Syracuse, Ind., in place of L. B. Whitehead. Incumbent's commission expires August 27, 1939.

Orel R. Small to be postmaster at Walton, Ind., in place of O. R. Small. Incumbent's commission expired June 18, 1938.

IOWA

Willis C. Hussey to be postmaster at Albert City, Iowa, in place of W. C. Hussey. Incumbent's commission expired June 18, 1938.

Nels A. Christensen to be postmaster at Alta, Iowa, in place of N. A. Christensen. Incumbent's commission expired March 14, 1938.

Julia E. Dean to be postmaster at Blanchard, Iowa, in place of J. E. Dean. Incumbent's commission expired July 30, 1939.

Jens P. Jensen to be postmaster at Bode, Iowa, in place of J. P. Jensen. Incumbent's commission expired May 17, 1939.

John H. Schulte to be postmaster at Breda, Iowa, in place of J. H. Schulte. Incumbent's commission expired June 25, 1939.

James S. Walton to be postmaster at Clearfield, Iowa, in place of J. S. Walton. Incumbent's commission expired February 28, 1938.

Robert H. Stoneking to be postmaster at Cushing, Iowa, in place of R. H. Stoneking. Incumbent's commission expired January 18, 1939.

Ralph Schroeder to be postmaster at Dysart, Iowa, in place of Ralph Schroeder. Incumbent's commission expired May 17, 1939.

Walter R. Price to be postmaster at Earlham, Iowa, in place of W. R. Price. Incumbent's commission expired May 2, 1939.

Ralph A. Kelley to be postmaster at Early, Iowa, in place of R. A. Kelley. Incumbent's commission expired February 9, 1939.

Ida Belle Stokes to be postmaster at Emerson, Iowa, in place of I. B. Stokes. Incumbent's commission expired March 20, 1939.

John O. Bussard to be postmaster at Essex, Iowa, in place of J. O. Bussard. Incumbent's commission expired July 30, 1939.

Hans P. Hansen, Jr., to be postmaster at Exira, Iowa, in place of H. P. Hansen, Jr. Incumbent's commission expired January 18, 1939.

Jacob S. Forgrave to be postmaster at Farmington, Iowa, in place of J. S. Forgrave. Incumbent's commission expired January 18, 1939.

Eugene C. Dodds to be postmaster at Fontanelle, Iowa, in place of E. S. Dodds. Incumbent's commission expires August 26, 1939.

Mary G. Thompson to be postmaster at Grand Junction, Iowa, in place of M. G. Thompson. Incumbent's commission expired February 9, 1939.

Alice F. Fogarty to be postmaster at Irwin, Iowa, in place of A. F. Fogarty. Incumbent's commission expired July 30, 1939.

Wallace W. Farmer to be postmaster at Kellerton, Iowa, in place of W. W. Farmer. Incumbent's commission expires August 22, 1939.

John E. Leinen to be postmaster at Keota, Iowa, in place of J. E. Leinen. Incumbent's commission expired January 18, 1939.

Frank F. Konrad to be postmaster at Lacona, Iowa, in place of F. F. Konrad. Incumbent's commission expired June 18, 1938.

Arthur G. Buchanan to be postmaster at Lime Spring, Iowa, in place of A. G. Buchanan. Incumbent's commission expired March 13, 1939.

Avis Monnette Fox to be postmaster at Little Sioux, Iowa, in place of A. M. Fox. Incumbent's commission expired July 30, 1939.

William F. Gaddis to be postmaster at Lovilia, Iowa, in place of W. F. Gaddis. Incumbent's commission expired June 25, 1939.

John E. Amdor to be postmaster at Massena, Iowa, in place of J. E. Amdor. Incumbent's commission expired March 20, 1939.

Gay S. Morgan to be postmaster at Milton, Iowa, in place of G. S. Morgan. Incumbent's commission expired June 25, 1939.

Patrick H. English to be postmaster at Monona, Iowa, in place of P. H. English. Incumbent's commission expired February 9, 1939.

Darrel C. Laurenson to be postmaster at Moorhead, Iowa, in place of D. C. Laurenson. Incumbent's commission expired January 18, 1939.

Opal H. Wallace to be postmaster at New Market, Iowa, in place of O. H. Wallace. Incumbent's commission expired June 18, 1938.

Gladys M. Heiland to be postmaster at Panora, Iowa, in place of G. M. Heiland. Incumbent's commission expired February 9, 1939.

John R. Strickland to be postmaster at Parkersburg, Iowa, in place of J. R. Strickland. Incumbent's commission expires August 26, 1939.

Francis W. Aubry to be postmaster at Perry, Iowa, in place of F. W. Aubry. Incumbent's commission expired July 19, 1939.

Charles A. Alter to be postmaster at Persia, Iowa, in place of C. A. Alter. Incumbent's commission expired July 19, 1939.

Charles B. Chapman to be postmaster at Prescott, Iowa, in place of C. B. Chapman. Incumbent's commission expired July 19, 1939.

Nora E. Knapp to be postmaster at Quimby, Iowa, in place of N. E. Knapp. Incumbent's commission expired May 2, 1939.

Clarence J. Bunkers to be postmaster at Remsen, Iowa, in place of C. J. Bunkers. Incumbent's commission expired January 18, 1939.

George S. Peters to be postmaster at Renwick, Iowa, in place of G. S. Peters. Incumbent's commission expired May 17, 1939.

Harve E. Munson to be postmaster at Rippey, Iowa, in place of H. E. Munson. Incumbent's commission expired January 18, 1939.

Henry M. Michaelson to be postmaster at Sergeant Bluff, Iowa, in place of H. M. Michaelson. Incumbent's commission expired March 14, 1938.

Clara L. Chansky to be postmaster at Solon, Iowa, in place of C. L. Chansky. Incumbent's commission expired June 25, 1939.

Hazel O. Graves to be postmaster at Stanton, Iowa, in place of H. O. Graves. Incumbent's commission expired May 2, 1939.

Marie Eilers to be postmaster at Steamboat Rock, Iowa, in place of Marie Eilers. Incumbent's commission expired July 19, 1939.

Porter V. Hall to be postmaster at Union, Iowa, in place of P. V. Hall. Incumbent's commission expired January 29, 1939.

Mack C. DeLong to be postmaster at Washington, Iowa, in place of M. C. DeLong. Incumbent's commission expired July 19, 1939.

Olive A. Burrows to be postmaster at Wilton Junction, Iowa, in place of O. A. Burrows. Incumbent's commission expired June 18, 1939.

KANSAS

Arthur E. Biberstein to be postmaster at Attica, Kans., in place of A. E. Biberstein. Incumbent's commission expires August 21, 1939.

Elmer E. Howerton to be postmaster at Blue Mound, Kans., in place of E. E. Howerton. Incumbent's commission expired July 18, 1939.

Elsie J. Callahan to be postmaster at Burr Oak, Kans., in place of E. J. Callahan. Incumbent's commission expires August 27, 1939.

Lee A. Perry, Jr., to be postmaster at Caldwell, Kans., in place of E. F. Glover, removed.

Max H. Dyck to be postmaster at Fowler, Kans., in place of M. H. Dyck. Incumbent's commission expired June 18, 1939.

N. Pearl Helvern to be postmaster at Hiawatha, Kans., in place of N. P. Helvern. Incumbent's commission expires August 26, 1939.

Mary E. McCreery to be postmaster at Hugoton, Kans., in place of M. E. McCreery. Incumbent's commission expires August 21, 1939.

Erwin E. Lewerenz to be postmaster at Lincolnville, Kans., in place of E. E. Lewerenz. Incumbent's commission expired July 1, 1939.

Donald L. McGregor to be postmaster at Linn, Kans., in place of M. A. Raven, transferred.

Agnes L. O'Leary to be postmaster at Luray, Kans., in place of A. L. O'Leary. Incumbent's commission expires August 21, 1939.

Edward W. Shiney to be postmaster at McCracken, Kans., in place of E. W. Shiney. Incumbent's commission expired May 29, 1938.

Ernest W. McHenry to be postmaster at McLouth, Kans., in place of E. W. McHenry. Incumbent's commission expires August 26, 1939.

Moses P. Davis to be postmaster at Madison, Kans., in place of M. P. Davis. Incumbent's commission expired July 18, 1939.

Joseph S. Dooty to be postmaster at Melvern, Kans., in place of J. S. Dooty. Incumbent's commission expired July 9, 1939.

Walter B. Ford to be postmaster at Oskaloosa, Kans., in place of W. B. Ford. Incumbent's commission expires August 21, 1939.

Charles A. Mardick to be postmaster at Richmond, Kans., in place of C. A. Mardick. Incumbent's commission expired July 27, 1939.

George F. Popkess to be postmaster at Toronto, Kans., in place of G. F. Popkess. Incumbent's commission expired June 18, 1939.

John H. Pennebaker to be postmaster at Virgil, Kans., in place of J. H. Pennebaker. Incumbent's commission expired June 18, 1939.

Charles P. Gates to be postmaster at Wakefield, Kans., in place of C. P. Gates. Incumbent's commission expired July 9, 1939.

KENTUCKY

Ben P. Edrington to be postmaster at Bardwell, Ky., in place of B. P. Edrington. Incumbent's commission expires August 26, 1939.

George Baxter Ramsey to be postmaster at Dawson Springs, Ky., in place of G. B. Ramsey. Incumbent's commission expired February 18, 1939.

Maria T. Fish to be postmaster at Frankfort, Ky., in place of M. T. Fish. Incumbent's commission expired February 18, 1939.

John A. McCord to be postmaster at Pineville, Ky., in place of J. A. McCord. Incumbent's commission expired February 5, 1938.

Clinton F. Cleek to be postmaster at Walton, Ky., in place of O. W. Cleek, resigned.

LOUISIANA

Harry G. Simoneaux to be postmaster at Golden Meadow, La., in place of C. R. Moncrief, resigned.

MAINE

Ward F. Snow to be postmaster at Blue Hill, Maine, in place of W. F. Snow. Incumbent's commission expires August 13, 1939.

Hubert A. Nevers to be postmaster at Patten, Maine, in place of H. A. Nevers. Incumbent's commission expired May 17, 1939.

MARYLAND

Howard Raymond Hamilton to be postmaster at Cardiff, Md., in place of H. R. Hamilton. Incumbent's commission expired July 1, 1939.

MASSACHUSETTS

Harold A. Harrington to be postmaster at Graniteville, Mass., in place of H. A. Harrington. Incumbent's commission expires August 26, 1939.

Edmund C. Tyler to be postmaster at Great Barrington, Mass., in place of E. C. Tyler. Incumbent's commission expired July 18, 1939.

George L. Magner to be postmaster at Hingham, Mass., in place of G. L. Magner. Incumbent's commission expired July 18, 1939.

John F. Mack to be postmaster at Housatonic, Mass., in place of J. F. Mack. Incumbent's commission expired June 26, 1939.

Carl E. Brown to be postmaster at Lunenburg, Mass., in place of C. E. Brown. Incumbent's commission expired May 29, 1939.

Alice E. Roberts to be postmaster at Nantucket, Mass., in place of A. E. Roberts. Incumbent's commission expires August 27, 1939.

Peter Victor Casavant to be postmaster at Natick, Mass., in place of P. V. Casavant. Incumbent's commission expired July 18, 1939.

Annie E. Gallagher to be postmaster at North Wilmington, Mass., in place of A. E. Gallagher. Incumbent's commission expired July 10, 1939.

Dennis P. Sweeney to be postmaster at Pittsfield, Mass., in place of D. P. Sweeney. Incumbent's commission expired July 31, 1939.

Katharine F. Rafferty to be postmaster at Rowley, Mass., in place of K. F. Rafferty. Incumbent's commission expired June 17, 1939.

John F. Finn to be postmaster at Stoughton, Mass., in place of J. F. Finn. Incumbent's commission expires August 12, 1939.

Frank J. Lucey to be postmaster at Wenham, Mass., in place of F. J. Lucey. Incumbent's commission expired July 22, 1939.

James F. Healy to be postmaster at Worcester, Mass., in place of J. F. Healy. Incumbent's commission expired June 26, 1939.

MICHIGAN

Mabel A. Amspoker to be postmaster at Ashley, Mich., in place of M. A. Amspoker. Incumbent's commission expired July 3, 1939.

Francis W. Jewell to be postmaster at Elberta, Mich., in place of F. W. Jewell. Incumbent's commission expired July 26, 1939.

Natalie G. Marker to be postmaster at Elk Rapids, Mich., in place of N. G. Marker. Incumbent's commission expired June 17, 1934.

David G. Bernard to be postmaster at Hale, Mich., in place of D. G. Bernard. Incumbent's commission expired July 1, 1939.

Samuel B. Pizer to be postmaster at Harrisville, Mich., in place of S. B. Pizer. Incumbent's commission expires August 26, 1939.

Etta V. Schram to be postmaster at Lincoln, Mich., in place of E. V. Schram. Incumbent's commission expired July 1, 1939.

Edgar S. Allen to be postmaster at Mancelona, Mich., in place of E. S. Allen. Incumbent's commission expired March 28, 1939.

Thomas Edward Shine to be postmaster at Port Austin, Mich., in place of T. E. Shine. Incumbent's commission expires August 26, 1939.

Archie M. Stinchcomb to be postmaster at Sunfield, Mich., in place of A. M. Stinchcomb. Incumbent's commission expired April 26, 1939.

Edward N. Moroney to be postmaster at Trenton, Mich., in place of E. N. Moroney. Incumbent's commission expired June 17, 1939.

Michael A. Mahar to be postmaster at Vermontville, Mich., in place of M. A. Mahar. Incumbent's commission expired May 29, 1939.

MISSISSIPPI

Charlie J. Moore, Jr., to be postmaster at Bentonia, Miss., in place of C. J. Moore, Jr. Incumbent's commission expired July 26, 1939.

William O. Yeates to be postmaster at Moorhead, Miss., in place of J. W. Lucas. Incumbent's commission expired March 19, 1938.

MISSOURI

Bernice F. Degginger to be postmaster at Albany, Mo., in place of J. H. Degginger, deceased.

Thomas Wert Gwaltney to be postmaster at Charleston, Mo., in place of T. W. Gwaltney. Incumbent's commission expired June 26, 1939.

Charles Gentry to be postmaster at Houston, Mo., in place of Charles Gentry. Incumbent's commisison expired May 4, 1939.

Leslie L. Travis to be postmaster at Joplin, Mo., in place of L. L. Travis. Incumbent's commission expired May 22, 1938.

Myrtie P. Chastain to be postmaster at Koshkonong, Mo., in place of M. P. Chastain. Incumbent's commission expired June 25, 1939.

Gerald R. Cooper to be postmaster at Laredo, Mo., in place of G. R. Cooper. Incumbent's commission expires August 27, 1939.

Sam G. Downing to be postmaster at Malden, Mo., in place of S. G. Downing. Incumbent's commission expired June 25, 1939.

Marion W. Stauffer to be postmaster at Maryville, Mo., in place of T. G. Robinson, deceased.

Edith E. Highfill to be postmaster at Thayer, Mo., in place of E. E. Highfill. Incumbent's commission expired June 25, 1939.

Summerfield Jones to be postmaster at West Plains, Mo., in place of Summerfield Jones. Incumbent's commission expires August 27, 1939.

MONTANA

Ira G. Nichols to be postmaster at Alberton, Mont., in place of Teddie Martin, resigned.

NEBRASKA

Ralph L. Ferris to be postmaster at Boelus, Nebr., in place of R. L. Ferris. Incumbent's commission expired July 24, 1939.

John L. Delong to be postmaster at Bushnell, Nebr., in place of J. L. Delong. Incumbent's commission expired August 1, 1939.

William E. McCaulley to be postmaster at Chappell, Nebr., in place of W. E. McCaulley. Incumbent's commission expired June 4, 1939.

Harold Hald to be postmaster at Dannebrog, Nebr., in place of Harold Hald. Incumbent's commission expired June 18, 1939.

Cecil Brundige to be postmaster at Litchfield, Nebr., in place of J. A. Dunlay. Incumbent's commission expires July 24, 1939.

James A. Dunlay to be postmaster at Orleans, Nebr., in place of J. A. Dunlay. Incumbent's commission expires August 27, 1939.

NEW HAMPSHIRE

Vincent P. Brine to be postmaster at Amherst, N. H., in place of H. B. Burtt. Incumbent's commission expired March 23, 1939.

NEW JERSEY

S. Russell Hunt to be postmaster at Delanco, N. J., in place of A. C. McCullough, removed.

Leroy Jeffries to be postmaster at Ocean City, N. J., in place of Leroy Jeffries. Incumbent's commission expired June 26, 1939.

Edward R. Smith to be postmaster at Pitman, N. J., in place of S. P. Clark. Incumbent's commission expired May 28, 1933.

Martin P. Gettings to be postmaster at Rahway, N. J., in place of M. F. Gettings. Incumbent's commission expires August 26, 1939.

Alexander W. McNeill to be postmaster at Ridgewood, N. J., in place of A. W. McNeill. Incumbent's commission expired July 26, 1939.

NEW MEXICO

Elzie L. Wells to be postmaster at Deming, N. Mex., in place of G. W. Dexter. Incumbent's commission expired February 12, 1939.

NEW YORK

Daniel Grant to be postmaster at Afton, N. Y., in place of Daniel Grant. Incumbent's commission expires August 21, 1939.

Joseph J. Wienand to be postmaster at Alden, N. Y., in place of J. J. Wienand. Incumbent's commission expired July 9, 1939.

Joseph T. Norton to be postmaster at Allegany, N. Y., in place of J. T. Norton. Incumbent's commission expired January 24, 1939.

Lewis H. Sears to be postmaster at Ballston Lake, N. Y., in place of L. H. Sears. Incumbent's commission expired April 17, 1939.

Ruth M. Marleau to be postmaster at Big Moose, N. Y., in place of R. M. Marleau. Incumbent's commission expired June 25, 1939.

Morgan Crapser to be postmaster at Central Bridge, N. Y., in place of Morgan Crapser. Incumbent's commission expires August 21, 1939.

Andrew R. Schmitt, Sr., to be postmaster at Cheektowaga, N. Y., in place of A. R. Schmitt, Sr. Incumbent's commission expired June 25, 1939.

Thomas J. McManus, Jr., to be postmaster at Corfu, N. Y., in place of T. J. McManus, Jr. Incumbent's commission expires August 21, 1939.

Lee M. Meldrim to be postmaster at Edwards, N. Y., in place of L. M. Meldrim. Incumbent's commission expired August 2, 1939.

Sam Rosenberg to be postmaster at Fallsburgh, N. Y., in place of Sam Rosenberg. Incumbent's commission expired August 2, 1939.

Harold F. Garrison to be postmaster at Fort Montgomery, N. Y., in place of H. F. Garrison. Incumbent's commission expired June 18, 1939.

James E. Robinson to be postmaster at Hermon, N. Y., in place of J. E. Robinson. Incumbent's commission expired July 9, 1939.

Edson S. Miller to be postmaster at Highland Mills, N. Y., in place of E. S. Miller. Incumbent's commission expired April 23, 1939.

Clarence M. Magee to be postmaster at Kinderhook, N. Y., in place of C. M. Magee. Incumbent's commission expired May 8, 1939.

John Joseph Fox to be postmaster at King Ferry, N. Y., in place of J. J. Fox. Incumbent's commission expired August 2, 1939.

William R. Kraft to be postmaster at Kingston, N. Y., in place of W. R. Kraft. Incumbent's commission expired July 18, 1939.

John G. Winans to be postmaster at Leeds, N. Y., in place of J. G. Winans. Incumbent's commission expires August 26, 1939.

Frances S. Murphy to be postmaster at Lisbon, N. Y., in place of F. S. Murphy. Incumbent's commission expires August 21, 1939.

Della M. Rexford to be postmaster at Loch Sheldrake, N. Y., in place of D. M. Rexford. Incumbent's commission expires August 21, 1939.

George S. Mackey to be postmaster at Locke, N. Y., in place of G. S. Mackey. Incumbent's commission expires August 26, 1939.

Henry F. McCall to be postmaster at Madrid, N. Y., in place of H. F. McCall. Incumbent's commission expires August 21, 1939.

Ella M. Hickey to be postmaster at Mechanicsville, N. Y., in place of E. M. Hickey. Incumbent's commission expired January 21, 1939.

Robert S. Pearson to be postmaster at Newfield, N. Y., in place of R. S. Pearson. Incumbent's commission expires August 21, 1939.

John S. VanKennen to be postmaster at Norfolk, N. Y., in place of J. S. VanKennen. Incumbent's commission expires August 21, 1939.

Harold E. Bollier to be postmaster at North Tonawanda, N. Y., in place of H. E. Bollier. Incumbent's commission expired July 24, 1939.

Thomas J. Conmy to be postmaster at Port Jervis, N. Y., in place of T. J. Conmy. Incumbent's commission expired August 2, 1939.

Eva W. Wheat to be postmaster at Rose Hill, N. Y., in place of E. W. Wheat. Incumbent's commission expires August 27, 1939.

Charles F. Pallister to be postmaster at Staten Island, N. Y., in place of C. F. Pallister. Incumbent's commission expired August 2, 1939.

Walter Frank Baltes to be postmaster at Tonawanda, N. Y., in place of W. F. Baltes. Incumbent's commission expires August 22, 1939.

Charlotte House Schoonmaker to be postmaster at Ulster Park, N. Y., in place of C. H. Schoonmaker. Incumbent's commission expired May 8, 1939.

Charles Merton Stanton to be postmaster at Wellsburg, N. Y., in place of C. M. Stanton. Incumbent's commission expired August 2, 1939.

NORTH CAROLINA

Willie S. Hogan to be postmaster at Chapel Hill, N. C., in place of R. A. Eubanks. Incumbent's commission expired January 16, 1939.

John W. Mosteller to be postmaster at Cherryville, N. C., in place of J. W. Mosteller. Incumbent's commission expired January 16, 1939.

Henry A. McNeely to be postmaster at China Grove, N. C., in place of H. A. McNeely. Incumbent's commission expired June 5, 1939.

Robert H. Edwards to be postmaster at Goldsboro, N. C., in place of R. H. Edwards. Incumbent's commission expired June 18, 1938.

Robert G. Creech to be postmaster at La Grange, N. C., in place of R. G. Creech. Incumbent's commission expired June 25, 1939.

Luther M. Carlton to be postmaster at Roxboro, N. C., in place of E. J. Tucker, deceased.

NORTH DAKOTA

Herman A. Borcherding to be postmaster at New England, N. Dak., in place of H. A. Borcherding. Incumbent's commission expired June 18, 1939.

OHIO

Florent G. Orr to be postmaster at Basil, Ohio, in place of F. G. Orr. Incumbent's commission expired February 12, 1939.

Clarence T. Zwickel to be postmaster at Bremen, Ohio, in place of C. T. Zwickel. Incumbent's commission expired January 28, 1939.

Worthy A. Circle to be postmaster at Springfield, Ohio, in place of W. A. Circle. Incumbent's commission expires August 27, 1939.

PENNSYLVANIA

Francis A. Meehan to be postmaster at Dravosburg, Pa., in place of E. H. Crummy, resigned.

Grover C. Albright to be postmaster at Lansdale, Pa., in place of R. B. Pool, resigned.

PUERTO RICO

Juan Aparicio Rivera to be postmaster at Adjuntas, P. R., in place of J. A. Rivera. Incumbent's commission expired January 17, 1939.

Alfredo F. Irizarry to be postmaster at Cabo Rojo, P. R., in place of A. F. Irizarry. Incumbent's commission expired February 13, 1939.

Francisco R. Fernandez to be postmaster at Guayama, P. R., in place of F. R. Fernandez. Incumbent's commission expired February 13, 1939.

Eduvigis de la Rosa to be postmaster at Isabela, P. R., in place of Eduvigis de la Rosa. Incumbent's commission expired February 13, 1939.

Ricardo Mendez, Jr., to be postmaster at Lares, P. R., in place of Ricardo Mendez, Jr. Incumbent's commission expired January 17, 1939.

Antonio Godinez to be postmaster at Rio Piedras, P. R., in place of Antonio Godinez. Incumbent's commission expired February 13, 1939.

TENNESSEE

Mary Amelia Slack Copenhaver to be postmaster at Bristol, Tenn., in place of M. A. S. Copenhaver. Incumbent's commission expires August 26, 1939.

Nell I. Griffith to be postmaster at Vonore, Tenn., in place of N. I. Griffith. Incumbent's commission expired January 16, 1939.

Charles M. Haygood to be postmaster at Waverly, Tenn., in place of J. C. Watson. Incumbent's commission expired April 29, 1936.

TEXAS

Richard T. Rieger to be postmaster at Decatur, Tex., in place of Lela Mann. Incumbent's commission expired February 9, 1939.

Earl D. Massey to be postmaster at Killeen, Tex., in place of C. L. Wood. Incumbent's commission expired January 25, 1939.

Mary A. Hogan to be postmaster at Pharr, Tex., in place of J. B. York, removed.

UTAH

Richard B. Porter, to be postmaster at Ogden, Utah, in place of R. B. Porter. Incumbent's commission expired February 7, 1939.

WASHINGTON

Oscar N. Handel to be postmaster at Electric City, Wash. Office became Presidential July 1, 1937.

WISCONSIN

Grant E. Denison to be postmaster at Carrollville, Wis., in place of G. E. Denison. Incumbent's commission expired March 19, 1939.

John T. Murphy to be postmaster at Delavan, Wis., in place of J. T. Murphy. Incumbent's commission expired May 29, 1939.

CONFIRMATIONS

Executive nominations confirmed by the Senate August 2, 1939

FEDERAL BOARD FOR VOCATIONAL EDUCATION

Dr. Paul H. Nystrom to be a member of the Federal Board for Vocational Education.

UNITED STATES DISTRICT JUDGE

Delbert E. Metzger to be United States district judge for the District of Hawaii.

SUPREME COURT, TERRITORY OF HAWAII

James L. Coke to be chief justice of the supreme court, Territory of Hawaii.

Emil C. Peters to be associate justice of the supreme court, Territory of Hawaii.

CIRCUIT COURTS, TERRITORY OF HAWAII

Albert M. Cristy to be second judge of the first circuit, circuit courts, Territory of Hawaii.

Francis N. Brooks to be fourth judge of the first circuit, circuit courts, Territory of Hawaii.

Daniel H. Case to be judge of the second circuit, circuit courts, Territory of Hawaii.

J. Frank McLaughlin to be judge of the fourth circuit, circuit courts, Territory of Hawaii.

JUDGES OF THE MUNICIPAL COURT, DISTRICT OF COLUMBIA

Nathan Cayton to be judge of the municipal court of the District of Columbia.

Ellen K. Raedy to be judge of the municipal court of the District of Columbia.

APPOINTMENTS AND PROMOTIONS IN THE NAVY

To be rear admiral

Arthur L. Bristol, Jr.

To be captains

Elliott B. Nixon
Sherwood Picking
Frederick L. Riefkohl
Oliver M. Read
Herman E. Fischer
Ellis M. Zacharias
DeWitt C. Ramsey
Roscoe E. Schuirman
Charles A. Lockwood, Jr.
Aaron S. Merrill

To be commanders

John H. Cassady
Walter C. Ansel
Dixie Kiefer
Spencer H. Warner
Roland G. Mayer
Stewart S. Reynolds
William W. Behrens
Roscoe F. Good
Benton W. Decker
George A. Seitz
James H. Chadwick
Lunsford Y. Mason, Jr.

To be lieutenant commanders

Murray J. Tichenor
George C. Montgomery
Charles W. Oexle
Wallis F. Petersen
Frank H. Ball
Elery A. Zehner
George B. Evans
Alfred R. Boileau
Arthur D. Murray
John G. Cross
William A. Lynch
Joseph A. Ouellet
Herbert H. Taylor
Charles H. K. Miller
Edward R. J. Griffin
Albert L. Prosser
Asel B. Kerr
John P. Curtis
Stanley E. Martin
Robert C. Warrack
Melvin H. Bassett
Raleigh B. Miller
Bailey Connelly
Orville G. Cope, Jr.
Joseph H. Gowan
George L. Richard
Thomas O. McCarthy
Daniel N. Logan
Morgan C. Barrett
Delamer L. Jones
Herbert A. Tellman
Edward I. McQuiston
Walter S. Keller
George F. Watson
Edwin V. Raines
James E. Baker
Kenneth O. Ekelund
Harry R. Carson, Jr.
Harry T. Chase
Richard M. Oliver
Charles H. Walker
Francis L. Robbins
Robert E. Cofer, Jr.
Frederick A. L. Dartsch
Thomas H. Dyer
John R. Ruhsenberger
Homer B. Wheeler
Hubert M. Hayter
Solomon F. Oden
George W. Evans, Jr.
Lawrence J. McPeake
Neill Phillips
Joseph F. Dahlgren
Dewey H. Collins
Elliott W. Shanklin
John M. Sweeney
Neville L. McDowell
James C. Landstreet
Henry Plander
Paul S. Crandall
Henry Crommelin
Thomas B. McMurtrey
Martin R. Peterson
Robert L. Adams
Austin W. Wheelock
George L. Purmort
John H. Long
James A. McNally
John R. van Nagell

To be lieutenants

James O. Biglow
Elliott M. Brown
Henry A. Renken
James R. Z. Reynolds
Howard J. Abbott
Edward L. Robertson, Jr.
Claude V. Hawk
Albert D. Gray
Schermerhorn Van Mater
Raymond P. Hunter
Bruce L. Carr
Russell C. Williams
Charles B. Brooks, Jr.
Thomas R. Kurtz, Jr.
Victor H. Soucek
William J. Sisko

To be lieutenants (junior grade)

Alfred W. Brown, Jr.
John M. Oseth
Robert C. Sleight
Jonathan L. W. Woodville, Jr.
Gordon Fowler
Forrest W. Simoneau
John W. Hays
John R. Millett

To be surgeons

Bruce E. Bradley
Irwin L. Norman
Robert S. Simpson
William E. Carskadon
Rupert H. Draeger
Dirk M. te Groen
Jesse G. Wright

To be passed assistant paymaster

Sidney A. Freeburg

To be chaplain

Stanton W. Salisbury

To be chief machinists

Neil M. Wilson
Jack M. Sutton

To be chief pay clerk

Gerald C. Anderson

MARINE CORPS

To be captain

Theodore C. Turnage, Jr.

To be second lieutenants

Harland E. Draper
James R. Anderson
Royce W. Coln
Robert O. Dirmeyer
Harry F. Rice.
Randall L. Stallings
John I. Williamson, Jr.

POSTMASTERS

ALABAMA

Thomas A. Smith, Cullman.

CONNECTICUT

John W. Morris, Canaan.
William J. Hernberg, Mansfield Depot.
Frederick C. Flynn, Thomaston.

FLORIDA

Undine D. Watson, Cedar Keys.
James M. Boen, Wildwood.

KANSAS

William E. Love, Bronson.
Archie D. Spillman, Buffalo.
James H. Sandifer, El Dorado.
Walter C. Reeder, Kinsley.

Joseph H. Schneider, Nortonville.
Robert J. Pafford, Salina.
Elton L. Pounds, Smith Center.

MAINE

Louis A. White, Eastport.
David F. Kelley, Gardiner.
Archie R. King, Saco.

MINNESOTA

Marie H. Sands, Alvarado.
Ove H. Voigt, Dent.
Edward A. Buckley, East Grand Forks.
Herman J. Ricker, Freeport.
Lester A. Helweg, Fulda.
Bertha T. Bot, Ghent.
Charles B. Seipp, Hanley Falls.
Irene G. Almquist, Harris.
Michael E. Tompkins, Hector.
William V. Kane, International Falls.
Jacob Ohlsen, Luverne.
Byron B. Maddy, McGregor.
James V. Sweeney, Mahnomen.
Robert E. O'Donnell, Mound.
Justin I. Brown, Nevis.
Raymond A. Linnihan, Red Lake Falls.
William H. Wilson, Rushmore.
Edward M. Swanson, Russell.
Herman E. Kent, Sanborn.
Julia B. Anderson, Zumbrota.

MISSISSIPPI

Frederick J. Fugitt, Booneville.
Minnie L. Beall, Lexington.
James C. Edwards, Pontotoc.

NEW HAMPSHIRE

Gustave A. Lanoix, Gonic.
Raymond J. Carr, Lancaster.
Elizabeth J. Varney, Littleton.

NEW JERSEY

Thomas C. Stewart, Atlantic City.
Emma E. Hyland, Camden.
John F. O'Toole, Cliffside Park.
Edward J. Shea, Rochelle Park.
Joseph M. Carson, Trenton.

NEW YORK

John L. Mack, Gasport.
David J. Fitzgerald, Jr., Glens Falls.
W. Armand Downes, Hilton.
Charles A. Denegar, Madalin.
Arthur J. Belgard, Ogdensburg.
Thomas F. Connolly, Port Chester.
James Arthur Egan, Sherrill.

NORTH DAKOTA

Julius C. Pfeifer, Richardton.
John A. Corrigan, Stanley.
Clifton G. Foye, Steele.
Howard W. Miller, Werner.
Bernhard Ottis, Wyndmere.

OKLAHOMA

Orly D. Moreland, Freedom.

PENNSYLVANIA

Mabel G. Collins, Austin.
George R. Meek, Bellefonte.
George Ramsey, Cheltenham.
Dorothy C. Feighner, Colver.
Ione B. Middaugh, Dingmans Ferry.
James H. Sinclair, Falls Creek.
George W. Smith, Mauch Chunk.
Kate H. Haydon, Midland.
Samuel B. Miller, Mifflinburg.
George E. Lay, Monaca.
Roy Peiffer, Mount Gretna.
Sylvester L. Rothenberger, Oley.
Perry A. Tschop, Red Lion.
Howard O. Boyer, Rural Valley.
John L. Considine, Sharon.
John A. Maurer, Tremont.
Maurice J. McGee, Troy.
David C. Chamberlin, Turbotville.
Lincoln G. Nyce, Vernfield.
John M. Braden, Washington.
Edward L. Middleswarth, Yeagertown.

SOUTH CAROLINA

Robert L. Plaxico, Clinton.

TENNESSEE

LaVerne Gearhiser, Big Sandy.
Hallie L. Davidson, Daisy.
Irene Miller, La Follette.
George S. Wilson, McMinnville.
Ferd B. Cowan, White Pine.
Gaston H. Rhodes, Whiteville.

TEXAS

Richard P. Park, Aransas Pass.
George R. Kocurek, Caldwell.
Albert P. Hinton, Columbus.
John H. Jones, Dickinson.
Marvin B. Smith, Farmersville.
Mildred H. Freeman, Freer.
William C. Allen, Hearne.
DeLouise M. Beall, Jacksonville.
George H. Boynton, Hamilton.
Percy L. Walker, Luling.
William H. Wentland, Manor.
Mary E. Pennington, Matagorda.
Loyal N. Tyer, Mount Belvieu.
Lemuel O. Robbins, Raymondville.
Frank Clark, Rockwall.
Alejo C. Garcia, San Diego.
Albert G. Lee, Sweetwater.
Pearson P. Pollard, Waskom.

VIRGINIA

Ruth K. Northington, Lacrosse.
John P. Kelly, Pennington Gap.
Pauline H. Duncan, Riverton.

REJECTION

Executive nomination rejected by the Senate August 2, 1939

POSTMASTER

MICHIGAN

Arthur A. Weng to be postmaster at Daggett, in the State of Michigan.

HOUSE OF REPRESENTATIVES

WEDNESDAY, AUGUST 2, 1939

The House met at 12 o'clock noon.

Rev. Bernard Braskamp, D. D., pastor of Gunton Temple Memorial Presbyterian Church, Washington, D. C., offered the following prayer:

O Thou Supreme Ruler of the Universe, by whose mercies we are spared and by whose power we are sustained, we thank Thee for this day which has come as a sacred gift from Thy hand, bringing with it tasks worthy of the investment and consecration of our noblest manhood and womanhood.

We pray that there may be nothing in this day's work of which we shall be ashamed when the sun has set or at the eventide of life, when Thou dost call us to Thyself.

Wilt Thou share Thine eternal wisdom with these Thy servants? In all difficult problems give unto them that faith which casts out fear, that hope which never despairs, and that love which lays hold of Him whose resources are inexhaustible.

May we strive to be coworkers with Thee in ushering in that glad and glorious day when humanity's needs shall be